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West Europe Report



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POLITICAL

CYPRUS

BRIEFS

NEW POLICE CHIEF--Two days ago President of the Republic Mr Kyprianou appointed Mr Frizox Yiangou chief of police and Mr Andreas Oikonomou deputy-chief. Mr Yiangou had heretofore been deputy-chief, while Mr Oikonomou had been one of the assistant police chiefs. The new police chief was born in 1933 in the village of Agios Dimitrios of the Limassol district. He graduated from the Mitsi School and joined the police force on 7 March 1953. He served in almost all the sections of the force and was the director of the Cyprus Information Service for 6 years until his appointment as deputy chief of police. Mr Yiangou rose to the post of chief after passing successively through all the ranks on the force. [Text] [Nicosia I SIMERINI in Greek 3 Jun 86 p 14] 12570/8918

TERMS FOR COEXISTENCE--Our own clear position on the relations between the two Cypriot communities is this: full equality under the law and absolute equality in civil rights for both Greek and Turkish Cypriots, as well as for all other citizens of the Republic of Cyprus. There should be equal treatment in terms of rights, as well as in terms of duties and obligations. There should be absolutely no discrimination based on ethnicity, religion or language. There should be an absolute guarantee of respect for the particular privileges of each community or settlement in the areas of education, culture, family institutions, traditions, manners and customs, etc. Furthermore, there should be some more favorable economic and social treatment of the lowest-income strata of the whole Cypriot society. This would most significantly benefit the Turkish Cypriots, who admittedly appear to lead miserable lives economically and socially under politically oppressive circumstances. As far as the "constitutional" and "territorial" settlements on the basis of proportions and within the framework of a non-dismembered state are concerned, we all recognize that there is room for negotiation which must coincide with the effort to solve the fundamental issues, namely, the occupation, the basic freedoms and the guarantees. [Text] [Nicosia O FILELEVTHEROS in Greek 6 Jun 86 p 3] 12570/8918

CSO: 3521/174

POLITICAL

DENMARK

POLL FINDS SVEND AUKEN FAVORED AS SUCCESSOR TO SDP CHIEF

Strong Support for Jorgensen Retirement

Copenhagen BERLINGSKE TIDENDE in Danish 15 Jun 86 p 9

[Article by Asger Schultz: "Auken Favored as New Chairman of Social Democrats"]

[Text] Social Democratic voters favor a change in the chairman of the party "in the relatively near future," and their very clear favorite for the post is the present vice chairman Svend Auken. On the other hand the nonsocialist voters would prefer to see the present chairman of the Folketing, Svend Jakobsen, in the post.

This is shown by a poll conducted by the Gallup Institute against the background of the frequent mention of a change in the chairmanship of the Social Democratic Party [SDP].

A representative group of voters consisting of about 100 respondents were asked the following question:

"It is said that Anker Jorgensen wants to withdraw as chairman of the Social Democrats in one year. Do you believe that it would be good for the Social Democratic Party if Anker Jorgensen withdraws in a relatively short time to make room for a new chairman?"

The voters answered this question as follows:

	Yes	No	Don't Know	Total
	%	%	%	%
All voters	44	25	31	100
Those right of SDP	52	24	24	100
SDP	43	35	22	100
Left of SDP	50	26	24	100

One can see that nearly half of the voters (44%) believe that it will soon be time for SDP to have a new chairman, while every fourth voter (25%) replied

directly that they do not want Anker Jorgensen to withdraw. One can also interpret the figures as saying that a majority of the voters (56%) have no direct wish for Anker Jorgensen to withdraw.

Among the SDP voters, a relative majority (43% vs. 35%) believe that Anker Jorgensen should relatively soon withdraw, which can be seen as acceptance of his eventual retirement.

Naturally it is interesting to know who will follow him as chairman, and so the following question was asked:

"It is also being openly discussed as to who should replace Anker Jorgensen as chairman of SDP. Which of these former SDP ministers do you believe should replace Anker Jorgensen?"

	Svend Jakobsen	Ritt Bjerregaard	Svend Auken	Knud Heinesen	Don't Know	Total
	%	%	%	%	%	%
All voters	24	7	26	16	27	100
Right of SDP	37	5	14	24	20	100
SDP	19	9	44	15	13	100
Left of SDP	11	11	47	9	22	100

As one can see it is nearly a "dead heat" between Svend Jakobsen and Svend Auken. Precisely half of the voters concentrate on these two possible candidates from the four which Gallup gave them to choose from. It is also very interesting to see whom the SDP voters themselves prefer as the new party chairman.

And their choice is clear enough. Almost half of the SDP voters (44%) prefer Svend Auken, while Svend Jakobsen ranks down at a level with Knud Heinesen, 19 and 15 percent respectively, and with Ritt Bjerregaard in fourth place with 9 percent.

It is worth noting that judged by the usual Left-Right scale there is a very marked difference between the two leading candidates. Svend Jakobsen is judged to be clearly oriented to the Right, and Svend Auken is even more clearly oriented to the Left, and this is shown by the fact that the Right-oriented voters clearly prefer Svend Jakobsen and the Left-oriented voters Svend Auken, and would just as soon have Ritt Bjerregaard as Svend Jakobsen.

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Copenhagen BERLINGSKE TIDENDE in Danish 15 Jun 86 p 16

[Editorial: "What People Expect"]

[Text] Party Chairman Anker Jorgensen is striving to be prime minister again. He does not for a minute hide the fact that his goal is to come back as leader of a Social Democratic government. There are good reasons why he can not say anything else. If he said that he would soon step down as leader the authority that he still has relative to the party and the public would disappear like dew in the sun. If he said that he did not expect to stand at the head of a new government, others would say that he was gone as a leader. The situation of the Social Democratic Party will not withstand much before the flames will rise from the coals.

A Gallup poll, which BERLINGSKE SONDAAG is publishing today, shows that nearly half of the voters believe that it will soon be time for Anker Jorgensen to depart. A relative majority among the SDP voters queried are inclined to share this opinion. That must be considered noteworthy. No SDP leader has ever been in a similar situation. Public expectations have never forced an SDP leader to leave at the wrong moment. But Anker Jorgensen must think about this. He must ask himself if he is the one who can give the party new strength and bring it back to government power. He must consider whether he will sacrifice his personal ambition for a comeback, and by his resignation open the way for younger forces. Every party leader must put party considerations foremost. Anker Jorgensen can refuse to believe the Gallup poll, but even if he has great confidence in his own judgment he cannot inwardly deny that SDP is not in good shape. I wonder how strong is his belief that SDP will win the next election?

If these thoughts cause Anker Jorgensen to resign--as he suddenly gave up nearly four years ago the idea of leading the government onward--the party will have a difficult choice. The Gallup poll shows that Svend Auken and Svend Jakobsen are the two candidates preferred by the voters (nobody is openly counting on Ritt Bjerregaard). The poll also shows, however, that people to the right of SDP prefer Jakobsen, and people to the left of SDP would rather see Auken as SDP leader. It is the eternal SDP dilemma which is taking shape once again. Should SDP stand on a middle line and ease to the right, or should they accept the invitation of the leftwing to take over the government?

Social Democratic speculation does not deal solely with personalities, but also largely with policies. That does not make Anker Jorgensen's situation easier for him.

9287

CSO:3613/161

POLITICAL

FEDERAL REPUBLIC OF GERMANY

BADEN-WUERTTEMBERG DEVELOPS PROFITABLE TIES WITH POLAND

Berlin DER TAGESSPIEGEL in German 30 May 86 p 3

[Article by Gert Baumgarten: "A Popular Interlocutor in Poland"]

[Text] Baden-Wuerttemberg Premier Spaeth managed the feat: The diversified industrial Land in the southwest of the FRG has now outdistanced all other German Laender and become the most popular business partner of the Poles. That was by no means always the case. For many years hardly anyone in Poland even knew where Baden-Wuerttemberg was actually located. In those days--primarily the 1960's and 1970's--the heads of government and ministers of other federal Laender virtually handed each other the doorknob in Warsaw and in Poznan, Poland's Fair city.

In those long ago days, the senators for economy from Hamburg, Bremen and Berlin, Bavarian Economics Minister Jaumann and North Rhine-Westphalia's then Premier Heinz Kuehn were among the most zealous explorers and trackers on Polish soil. The Hamburgers' interest was obvious: They sought contacts in Poland for the potential expansion of the economic hinterland for their port. Since the division of Germany, Hamburg's port has found itself in an unfavorable and rather peripheral situation, forcing it to try for the intensification of business with the countries east of the Elbe as the ideal way out of trouble.

Wherever Hamburg goes, so does Bremen, sometimes much to the annoyance of the Hamburgers. The people on the Weser, their senate led at the time by Hans Koschnick, never for a moment lose sight of the Hamburg competition. A little later, when CDU-er Albrecht took over in Hanover, Lower Saxony also looked to Poland. In his term as premier, Albrecht visited Warsaw twice.

The North Rhine-Westphalian interests in Poland were of both political and economic nature. To begin with, the Land leaders wished to effectively support Willy Brandt's and Helmut Schmidt's reconciliation with Warsaw. Moreover, Poland's leader in the 1970's was Gierek, an Upper Silesian and friend of heavy industry. It was possible at the time to earn money for the steel forgers and machinery constructors on the Rhine and the Ruhr: Industrial corporations of Essen, Duesseldorf, Dortmund, Bochum and Duisburg represented the chief attractions of the two Federal German exhibition halls at the Poznan Fair. Of course, ministers from North Rhine-Westphalia were bound to attend.

Poland's leaders at the time were firmly resolved to spend tremendous amounts of money on the country's industries. That attracted hordes of industrial salesmen from the West. In the 1970's, Bavaria's Economics Minister Jaumann was one of those who seemed to cherish great expectations of the good business to be done in the East thus helping the development of industry at home. He attended almost all Poznan Fairs.

Unfortunately, the Gierek Government then holding office in Poland had a predilection for bold forecasts; it believed in the possibility of realizing industrial castles in Spain and loved to fantasize about "Poland in 2000." The debt burden achieved more than \$30 billion and is now virtually paralyzing the country.

Baden-Wuerttemberg was barely in evidence in Poland in those hopeful years. On one occasion, the leader of the Social Democratic opposition in the Stuttgart Assembly visited Warsaw--, a decent politico called Krause whose visit was soon forgotten. On the other hand, nothing much is heard these days in Poland of Hamburg, Bremen, North Rhine-Westphalia and Lower Saxony.

Only Berlin keeps resolutely working away, though it does not beat the drum about its lively relations with Poland. Economic Senator Pieroth is always most welcome in Poznan. Sheer physical proximity makes for intensive trade and exchange.

Now, 4 years after the great Polish crisis, Baden-Wuerttemberg has arrived on the scene. Warsaw is much satisfied with this development. Barely a year ago, on the occasion of the Poznan Fair, Premier Spaeth submitted the first offer of future cooperation. The moment was well chosen: Poland's present leadership, headed by General Jaruzelski, wishes to keep an iron grip on the country's finances.

Warsaw informed opinion says--encouragingly--that those who now enter into business relations with Poland will be welcomed for a long time to come. Most of all, Baden-Wuerttemberg's industrial offer, involving modern small and medium scale industry, fits perfectly with the Polish concept: The Poles intend to invest in modern production methods. Efficient medium-scale industrial units preponderate in their plans. In Poland the time of heavy industrial giants a la Gierek is past.

Bonn, though, appears at times to be anything but pleased with the Stuttgart people' zealous pursuit of foreign affairs. Genscher's Foreign Affairs Ministry, in particular, affects to know exactly why Warsaw is so ready and pleased to grasp the hand extended by Lothar Spaeth: Discussions with Baden-Wuerttemberg or any other federal Land need confront neither the Berlin problem nor any other source of conflict. Everything is simple and straightforward. The situation is very different in negotiations with Bonn.

11698

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POLITICAL

FEDERAL REPUBLIC OF GERMANY

CDU REPORT REVEALS COMMUNIST INFLUENCE ON GREENS

Frankfurt FRANKFURTER ALLGEMEINE ZEITUNG in German 6 June 86 p 4

[Article by fy: "The Greens' Past Documented"]

[Text] The CDU has again pointed out the influence which Communist currents have on the Greens. On Thursday, the parliamentary managers of the CDU/CSU parliamentary caucus, Seiters and Boetsch, presented documentation which is to prove above all the personnel interlockings of the Greens with Communist groupings. It carries the title "The Cadres of the Greens" and contains information on the political development and background of a total of 65 leading functionaries and elected officials of the Greens. Seiters said that only those persons were included in the documentation who "are, or were" members, "are close to them or were at least occasionally close to organizations which are mentioned in the report of the Office for the Protection of the Constitution and pursue extremist or security-threatening goals." These groups profess Communism in the form of Marxism-Leninism, Maoism or Trotzkyism. They are of the opinion that "our social and economic system must be eliminated." Some of the groups even dissolved themselves in order to work with the Greens. Some of them in principle do not rule out the use of force.

Seiters stressed that the documentation, in which data and information about 65 leading functionaries of the Greens are listed, is based exclusively on material publicly available, such as interviews and newspaper reports, television footage, and the published reports of the Office for the Protection of the Constitution. The documentation studies in particular the personnel amalgamation of the Greens with terrorism, with communist groups such as the Communist League (KB), but also with the Socialist Bureau, the Communist Party of Germany (KPD), the Communist League of West Germany, the undogmatic "New Left", as well as the inclusion of the German Communist Party (DKP) and its organizations. Also pointed out are the sometimes considerable criminal offenses of Green politicians committed in connection with terrorism, and the jail sentences imposed on them. Among this circle of persons are members of the federal, Land and European parliaments.

9917
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POLITICAL

FEDERAL REPUBLIC OF GERMANY

PEACE LIST SEEKS TO AVOID SPLITTING LEFT-WING VOTE

Frankfurt FRANKFURTER ALLGEMEINE ZEITUNG in German 24 June 86 p 5

Article by ban: "To Counteract Splintering"

Text The party of the Greens does not have to fear competition from the left at the parliamentary elections next January. After the German Communist Party (DKP) had waived its own candidacy in favor of the Peace List as early as March, on Monday the federal executive board of the "Peace List" published a guiding proposal for their election congress this coming weekend. Accordingly, the Peace List will nominate direct candidates in all election districts. But the organization will forego putting up lists of candidates on the Land level, i.e., it waives promotional activities for "second votes" which are decisive for the composition of the Parliament. After the agreed-on decision by the leadership group of the Peace List, it is considered certain that the election congress in Cologne on Saturday will follow this tactic. Furthermore, there are indications that the "Liberal Democrats," who had formed after the FDP's "turn" toward the CDU/CSU, will also abstain from their own candidacy for the parliamentary elections.

The decision of the Peace List must be seen against the background of the result of the state parliamentary elections in North Rhine-Westphalia in May 1985. At that time, the Greens failed because of the 5-percent hurdle which it would have taken if the Peace List, supported by the DKP, had not deprived them of the decisive votes. Their spokesman, Runge, said that the parliamentary existence of the Greens is not a matter of course, and the guiding proposal speaks of a "concentration of progressive forces." The Peace List will not put up state lists of candidates, it concentrates on balloting the second votes for a parliamentary 'end to the turnaround'." The "progressive forces" must be concentrated. One must counteract a "splintering." The direct candidacy of the Peace List is given the character of a "first vote demonstration." The politicians of the Peace List want to exert "pressure on the SPD and the Greens" and make clear the importance of the peace movement, as said in their proposal. For the DKP, the showing of the Peace List among first votes will probably also answer questions about the usefulness of this allied organization. The present solution is seen as an "intermediate step" toward greater solidarity among the Left.

At another congress in September, the Peace List wants to pass an election proclamation. Judging by the remarks of its federal executive board, it will probably support the Greens. The guiding proposal states: "As its strategic goal, the Peace List wants the majority to the left of the CDU, the strengthening of the factor to the left of the SPD." And one finds this objective: "Combining the forces to the left of the rightist government. For a new policy. Against an SPD course of ouster of the Greens. For the courage of the Greens to push through a new policy vis-a-vis and with the SPD." In spring, the Peace List had stated the wish to place a few of their members on the state candidates' lists of the Greens. The Greens had refused this, however. The decision of the Peace List was already indicated in March in a speech by its presidium member Priemer, published by the DKP: "The Peace List considers the replacement of the Right coalition through a new majority as its primary goal in order to reach a new policy. A splintering in the progressive camp would be detrimental to these goals." In case no agreement can be reached with the Greens on the Peace List being given a place on their state candidates' lists, Priemer, in the name of the DKP, had considered "necessary a start, as soon as possible, of putting up state candidates' lists."

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POLITICAL

FEDERAL REPUBLIC OF GERMANY

LABOR CONFEDERATION REPORT ON TURKISH WORKERS

Istanbul DUNYA in Turkish 30 Apr 86 p 2

[Text] Ankara (ANATOLIAN AGENCY) - The report on problems of Turkish workers in West Germany being compiled by the Turkish Confederation of Labor [TURK-IS] is expected to be completed this week.

According to information obtained from TURK-IS General Organization Secretary Orhan Balaban, discussion of the report will be completed by the board of directors this week and it will be submitted to the government next week, along with proposals for the solution of workers' problems.

The following problems involving workers in Germany are identified in the report:

- Having to perform military service twice because of dual citizenship.
- The problem of steadily rising unemployment, currently around 30 percent, among the Turks in Germany.
- The possibilities for the children of Turkish citizens here to take advantage of apprenticeship training.
- Problems connected with the efforts of illegal organizations which are active in West Germany and present themselves as the voice of the Turkish workers.
- The matter of family reunification and visits (visa problems).
- The education of Turkish children in Germany.

TURK-IS General Organization Secretary Orhan Balaban said that the federal governments in Germany had reached agreement on three matters involving labor and listed them as follows:

- No importation of foreign workers to Germany,
- Encouraging repatriation,
- The postponement of EEC and freedom of movement rights.

8349

CSO: 3554/69

POLITICAL

FINLAND

CENTER PARTY CONGRESS SEEN MAKING VAYRYNEN INTO NEW KEKKONEN

Vayrynen Speech Inaugurates Candidacy

Helsinki HELSINGIN SANOMAT in Finnish 15 Jun 86 p 7

[Article by Unto Hamalainen and Anneli Sundberg: "Vayrynen Creates New Popular Front; Conservatives Get Chance to Build Green Information Society With Center Party"]

[Text] At the Center Party congress which continued on Saturday in Lappeenranta, Chairman Paavo Vayrynen marketed a new popular front as the basis of a postelection government.

When Vayrynen's creation sees the light of day, the Conservative Party will get the chance, together with him, to make Finland into a green information society.

The government-policy program of Vayrynen, who today will be crowned presidential candidate of the Center Party, caused some perplexity at the party congress, since the older party members in particular are accustomed to forming a popular front with the communists, not the Conservatives.

There is no room for the communists, however, in the government put together by Vayrynen on Saturday.

"After the leftwing popular front and the period of purely leftist rule, there is a need for a new middle-of-the-road popular front made up of political parties that do well in elections. We must bring about broad-based cooperation and a new consensus which better respond to the challenges of our time and the future," said Vayrynen.

At a press conference held after the speech, Vayrynen announced that the Social Democrats and the Conservatives qualify for the new popular-front government led by middle-of-the-roaders, because he expected them, along with the middle parties, to do well in the elections.

Yet Vayrynen emphasized that other alternatives were not ruled out as the basis of a postelection government. A purely nonsocialist government, which the Conservative Party has called for, would suit Vayrynen provided it was led by middle parties.

Neither Socialism Nor Capitalism

At the party congress Vayrynen also described the platform of the new popular front. Included were a little red, a little black, and a lot of green, because the Center Party would like to hitch up to the Greens' wagon.

According to Vayrynen, Finland's path is the path of neither socialism nor capitalism.

"The new popular front must seek to realize those goals of a 'greener' and more humane society which have been expressly proposed by many alternative movements influential in our country."

We must free ourselves of the negative capitalist and socialist features which have taken root in our country, according to Vayrynen.

Vayrynen considered the concentration of economic power in banks and insurance companies an especially pernicious feature of capitalism.

Vayrynen would transfer that power to the people. "The investment of money in companies' stocks must be encouraged by substantially increasing the tax exemption on capital gains. To the extent that business firms can obtain the capital they need from private citizens' investments in stocks, the right of banks and insurance companies to own stock in firms which operate in other spheres of activity must be restricted."

Vayrynen saw a negative socialist feature in the desire of state enterprises to expand. Vayrynen promised that if the new popular front came to power, the state enterprises would get their wings clipped.

Protect the Cities

Vayrynen defined the goal of the new popular front as the establishment of a green information society in accordance with nature's laws. Big cities would no longer be allowed to grow. Emphasis would shift from safeguarding the forests and waterfalls of northern and eastern Finland to protecting the residents of large cities from industrial and nonindustrial pollution.

Health care and social services would be removed from institutions. More and more public services would be entrusted to the private sector.

Despite his future plans, Vayrynen promised to continue his current government teamwork right up until the elections.

Minister of Agriculture Toivo Ylajarvi, who is leaving national politics and relinquishing his parliamentary seat after the elections, was the first to criticize Vayrynen's new government schemes and to defend teamwork with the communists, something which easily half the party members support, according to a survey.

"I don't believe that anyone seriously wants to stop cooperating with the communists," he said.

Ylajarvi pointed out that cooperation with the communists has brought tranquillity to Finnish society.

"Its value won't be understood until it's lost. That's why a full-scale debate on the rejection of teaming up with the communists should be held in the party."

Ylajarvi said he had become accustomed to managing agricultural matters quite successfully with the Social Democrats.

"Cooperation with the communists can cease only if the traditional middle parties and the Social Democrats lose their parliamentary majority," stressed Ylajarvi.

Vayrynen Criticizes Sorsa's Views

Prime Minister Kalevi Sorsa's views on foreign policy received no support from Vayrynen. Explaining his beliefs about international politics to the party congress, Vayrynen said that Prime Minister Kalevi Sorsa has made some very far-reaching conclusions about the evolution of superpower relations.

"Sorsa thought that our country's 'active foreign policy can no longer be based on cooperation with the superpowers.' He also asked what the alternative might be to a policy of detente and support for superpower cooperation.

"I cannot agree with these assessments by Sorsa. By no means have the superpowers lost their desire or ability to cooperate. At a recent meeting of top-level leaders, the superpowers endorsed the principle of mutual relations. The Geneva communique is imbued with a strong desire to preserve peace and to improve teamwork between the superpowers. There is not and will not be an alternative to detente, the reduction of international tension.

"Nor is there an alternative to detente in Finnish foreign policy," underscored Vayrynen. According to him, Finland's path is the same as it was before: support the buildup of trust between the superpowers and promote detente.

Vayrynen emphasized at the news conference that in everything essential they agree with Sorsa about Finnish foreign policy.

'Spirit of Kekkonen' Years

Helsinki HELSINGIN SANOMAT in Finnish 15 Jun 86 p 7

[Article: "Center Party Folk Have Visions of New Kekkonen"]

[Excerpt] "This is a nonstop celebration," screamed Pertti Vuola, the Center Party's chairman for Finland Proper, at the start of his speech.

Center Party enthusiasm was overflowing: even before Vuola, the party's virtues had been extolled for hours on end. The same self-praise continued all day Saturday.

Center Party veteran Vuola reminisced about the golden days of the early 1950s when the Agrarian League made Urho Kekkonen president.

"The spirit of those years is in the air," said Vuola, evaluating the mood of the party congress.

Every possible issue came up in the 10-hour debate. But a recurrent theme in the discussion was satisfaction with the Center Party's success: opinion poll results were excellent, and the nuclear explosion in Chernobyl freed the party from a nuclear-power dilemma.

Had there been no explosion in Kiev, the party congress would have been forced to take a vote. Instead, it praised its own foresight and called for the harnessing of waterfalls.

Right after Paavo Vayrynen's speech, the congress also received international greetings. The secretary of the Bulgarian Peasants' Party lauded his own popular front in which the communists and the Peasants' Party constituted an "invincible alliance." There is no place for communists in Vayrynen's "new popular front."

Youths Unfriendly to Vayrynen

Younger speakers were irritated by Paavo Vayrynen's proposal for a new popular front. Timo Toropainen, chairman of the Center Party Youth League, and Maria-Kaisa Aula, chairman of the Center Party Students' League, said pointblank that the Conservative Party is the party of big capital.

The young people wonder how the conditions of the poor can be improved by associating with the businessmen's party.

Deputy Chairman Esko Aho warned the Center Party against overinvolvement in the presidential race. Aho pointed out how the battle between Johannes Virolainen and Ahti Karjalainen had once shattered the party.

Aho met with an unsympathetic response from a congress audience undisguisedly enthusiastic about the presidential race.

Mimicking Paavo Vayrynen, parliamentary representative Hannu Kemppainen clarified Vayrynen's government speech more straightforwardly. "The government base is being broadened so that the Center Party can make rejoinders to the other parties' contentious remarks," said Kemppainen.

Additional Nuclear Plants Rejected

Helsinki HELSINGIN SANOMAT in Finnish 15 Jun 86 p 7

[Article: "Center Party Takes Stricter Stand on Nuclear Power"]

[Text] The Center Party does not endorse the construction of new nuclear power plants. In the party's opinion, even current nuclear power plants should be abandoned when they become obsolete.

At its party congress in Lappeenranta on Saturday, the Center Party adopted a stricter stand than before on nuclear power. This stand is part of the

30 July 1986

response of the party congress to energy-policy initiatives, and it was confirmed on Sunday in the party congress statement.

The Center Party urges the government to determine as soon as possible how the country's electricity supply can be assured without building additional nuclear power plants. The next government should pledge itself to this policy in its program.

Sufficient basic power could be guaranteed, in the Center Party's opinion, by constructing several peat power plants. The party also urges the government to remove the obstacles from construction of the Kollaja and Vuotos basins.

The utilization of rivers already harnessed should be improved. On the other hand, the party wants to keep in their natural state those rivers which are still unharnessed.

As a source of basic power, the party favors natural gas in southern Finland as well as domestic fuels. Coal is also a possibility on the coast.

Vayrynen Speech Criticized

Helsinki HELSINGIN SANOMAT in Finnish 15 Jun 86 p 7

[Commentary by Anneli Sundberg: "Striptease"]

[Text] The slogan "new popular front" is purely the product of the personal genius of Foreign Affairs Minister Paavo Vayrynen and has not even obtained the undivided approval of those in his inner circle.

In the ears of many people, "new popular front" sounds more like the manifesto of the Bulgarian Peasants' Party than of a modern Western party.

As a blanket name it is good, however, the sign of a certain talent.

Not even Paavo Vayrynen is audacious enough to say outright: "I want to be prime minister after the elections. If I can't work out something with the Social Democrats, then I'll do business with the Conservatives."

It is unbecoming for a politician to present himself that naked to the people.

On the other hand, he can say that he is striving for a new popular-front government led by the Center Party.

That doesn't sound so personal.

There may be various opinions about the picture of Finland's future which is painted in Vayrynen's speech, but at least it shows that Vayrynen has some thoughts on the subject.

That's more than the other party leaders have.

Unless they quickly get their brain cells to work, they will still find themselves with shovel in hand, building a green information society for Vayrynen.

Party's Nuclear Stand Viewed

Helsinki HELSINGIN SANOMAT in Finnish 15 Jun 86 p 7

[Editorial Roundup: "Consistent Stand on Nuclear Power"]

[Excerpt] The Center Party's SAVON SANOMAT, which is published in Kuopio, praises the party for its consistent conduct on the issue of nuclear power.

The paper points out that as early as the 1980 party congress in Turku the Center Party dissociated itself from nuclear power and has stood behind its decision ever since.

"In opposing the construction of a fifth nuclear power plant, the Center Party does not formulate current policy in the shadow of the Chernobyl accident the way the Social Democrats and the Conservatives do, as they attempt to reverse their earlier stands which called for a speedy increase in nuclear power.

"It is now possible to obtain support for the Center Party's energy policy from the Left and the Right. It is worthwhile to accept this support. Unless the decentralized production of electricity proceeds without protest, there is good reason to include in the next government's program a negative stand on the construction of new nuclear power plants," writes the newspaper.

Prospects for Center, Vayrynen

Helsinki HELSINGIN SANOMAT in Finnish 18 Jun 86 p 2

[Editorial: "We Have Come This Far in the Spirit of the Times and in Accordance With Political Practice"]

[Text] The Center Party can be satisfied. The message about Paavo Vayrynen as the new Urho Kekkonen and as the creator of a fresh government alternative has gotten through, as per plan. The "bustle" and the uncertainty needed for reforms have entered the political arena at the same time.

The publicity focused attention on Paavo Vayrynen's dogged efforts and on the Center Party's speedy convalescence. Something at least as substantial has happened elsewhere. Not that long ago Kalevi Sorsa was persuaded--after some reluctance, sincere or feigned--to lead the Social Democratic Party for a little while longer. And President Mauno Koivisto's power of appeal has brought disappointment to the Social Democrats.

Society, to be sure, is not ready yet, but new kinds of emphasis are required in the pressure to publish statutory reforms. Even though the current government coalition is seen as a stopgap, no one has been able to diagram a better one, largely because of the Left's downhill slide and the schism between communists.

Referring to the Center Party, the main organ of the Social Democratic Party now says that "previous forms of cooperation were unambiguously rejected at the party's 80th anniversary congress. Cooperation with the Left was found to have lost its might." On the other hand, it was publicly declared even before that any government of the Social Democratic and Center parties "has eaten its victuals" and needs some more.

In the course of time, Kalevi Sorsa lost patience with the Center Party ministers and lightheadedly considered the Conservative Party more willing to compromise than the Center Party. Joint and, it is true, in themselves meaningless talks between the leaders of the Conservative and Social Democratic parties provided the Center Party with further reasons to judge the moment opportune for defining a forceful course of action.

At the same time, the growth in prosperity and the attentiveness to national interests on international markets have strengthened the bourgeois temperament generally and in all the parties. No direct parallel should be drawn between this and a drift toward conservatism. The Conservative Party, too, could become a collaborative partner of the Social Democrats if only it would agree to call itself a middle-of-the-road party.

The differences can be regarded as that superficial when it is politically expedient. There is a general desire and need in the air to try out a new government coalition for the benefit of the nation. However, each administrator party is least interested, naturally, in those tryouts which could endanger its recently attained position.

In this situation, the Center Party turns opportunistic again and plays the "Conservative card" the way it did before during the elections. But if it attains a sufficiently strong position, a government partner can be chosen from the Left just as well as from the Right. It is true that Paavo Vayrynen speaks positively about the leftwing government's achievements, but achievements are usually forgotten when people are groping for power. He announces at the same time that there is no longer any alternative to conflict with Kalevi Sorsa and the Social Democrats.

The Conservative Party is in the most awkward spot. In this situation, it must play the Center Party's game on the Center Party's terms, when no other offers are made. Putting all the parties in the same position after the elections is a questionable but clinical solution dictated by necessity to the Conservative Party, which finds itself on the brink of frustration and futility.

Mauno Koivisto's low profile in foreign policy undoubtedly provides crucial space for Foreign Affairs Minister Paavo Vayrynen's presidential aspirations. While Kalevi Sorsa tends to matters of secondary importance in the Socialist International and in Finnish-USSR relations, Paavo Vayrynen can avouch to East and West--without offending anyone and to the annoyance of the Social Democratic presidential candidate--that he is steadfastly following Kekkonen's foreign-policy line.

As the Social Democrats themselves have relinquished this excellent post to Paavo Vayrynen, no harm to our foreign policy needs to result from it--not without provocation at least. They have also stopped repeating that the desire of a foreign affairs minister to become a caliph is inappropriate for someone who manages the president's foreign policy.

At this stage, of course, the small parties do not want to lose the opportunity for an independent opening by committing themselves to some party in power. Their present stands on major policies are not of pressing importance. Written off, the people's democrats are huffed but for the time being powerless. They will not be insignificant in the parliamentary elections, but the Left must make up its mind by the time of the presidential elections how it can best promote its common interests.

POLITICAL

GREECE

POLL RESULTS ON POLITICAL PREFERENCES AROUSES CONTROVERSY

Initial Results, Comments

Athens TA NEA in Greek 9 Jun 86 p 6

[Article by Giannis Fatsis: "PASOK Surpasses NE by 6%".]

[Text] The ND loses the game again. It gave a political character to the municipal elections. But it did not assess its strength. The poll that took place (here and now) at the beginning of the electoral fight, shows PASOK ahead of the ND by 6 percentage units. It is a noteworthy fact - a preliminary indication of how the elections will go.

This is the political conclusion that comes from the poll conducted by "Eurodim" and is combined with the evaluation that during the critical electoral rivalries (such as '81, '84, and '85) the anti-right mood is clearly expressed.

Another political conclusion that comes from this poll is combined with the evaluation that the voters are continuously giving the PASOK government "more time". Even in the case of the harsh measures for the economy, the voters (to a large degree) show understanding or consent or acceptance.

This phenomenon is noteworthy: that in 2 months, the confidence in the benefit of these measures increased by 10 percentage units, and in 6 months, the evaluation that the government policy in combatting inflation was successful increased by 13 percentage units.

This research was conducted in the wider area of Athens where the ND mostly wants to stage the "political battle".

It starts its struggle with a poll unfavorable to it.

Stable Phenomenon

We find this six unit difference between PASOK and the ND in two instances. It is a stable phenomenon during the last six months.

In the first instance, the question that was asked of the voters was: "If elections for Greek parliament were held today, what party would you vote for?" The answers that were given were: 38.5 PASOK, 32.5 ND.

In the second instance, the question is posed for the future on the preference of the voters. Specifically, the question was: "What party is it probable they would vote for some day?" The answers that were given: 46% PASOK, 40% ND.

If we compare this image of electoral strength of the two parties with the image that was given in previous polls (by the same company and with the same method) we see that:

1. In the Mar 86 poll the indications were: PASOK 32%, NE 32.5%.
2. The Nov 86 poll provided the results: PASOK 33%, ND 34.5%.

PASOK's climb (6.5% since March and 5.5% since November) is impressive and ND's drop (by 2% from March and from November) is noteworthy (and stable).

The probable image of the electoral strength of the other parties (according to the present poll) are: 14% KKE, 5.5% KKE (interior), 4.5% Democratic Renewal. Other smaller forces got a total of 2.5%. Another 2.5% was covered by the undecided. These were results to the question: "What party would you vote for today for the Greek parliament?"

The answers given to the question what would they probably vote for "some day" were: 26% for the KKE, 27% for the KKE (interior), 22% for the Democratic Renewal, 3% for EPEN /National Political Union/, and 32%(!) for an ecological party.

Comparisons with previous polls of the same company show that the KKE has a small drop (2% from March and 2.5% from November), while the strength of the KKE (interior) has a steady relationship between the present poll and the respective one in November and a one unit rise between the present poll and the one in March.

Furthermore, Democratic Renewal shows an increase in its strength since March (4.5% at the present time, 3% then) and a drop since November (5.5% then).

From the analysis of the polls that refer to the present preference of the voters, it appears that: there is a transfer of the voters (by about 2%) from the ND to PASOK. The transfer of voters from PASOK to the ND is nil.

The movement within parties of the Right is marked with an impressive 11% from the ND to the Democratic Renewal and 1.5% from the ND to EPEN.

Furthermore, 1% of the PASOK voters transferred to the KKE, while 3% of those who voted for PASOK in 85 presently are undecided. It also came out that the KKE has the most faithful voters. Ninety eight per cent of those who voted for the KKE in 85 stated they would vote for their party again (2% would vote for PASOK).

Second in the stability of its voters is the KKE (interior). Ninety four per cent of its voters would vote for it again while 6% transferred to the undecided.

The evaluation of the total accomplishment of the government (during the five-year period 81 - 86) gained some points. Of those asked, 48% answered that it is "rather positive", while 52% claimed it was "rather negative".

The respective numbers during the November poll, however, were: 46% and 53%.

It is evident that the economic measures are included in these evaluations. Besides, 12% of the PASOK voters who were asked is included with the ones that considered the accomplishments of the government this past year to be "rather negative".

It Appears Strengthened

But the public opinion evaluation of the economic measures appears to be strengthened during the past two-month period.

In answer to the question if these measures benefited the Greek economy, the positive answer was 29%. The answer to the same question in last March's poll was 19%.

The 10 percentage units gained by PASOK during these two months is an important element of the credibility of its policy in the economic sector or perhaps it is the evaluation of the public opinion that the stability of the economy could not become an objective without some harsh measures.

But even the trust of the voters in the effectiveness of the policy for fighting inflation noted, during the last two months, an increase of 13% (14% in March, 27% today).

The image projected by the economic situation to the voters may be completed, if certain other results of this poll are considered. These are:

1. Forty three percent said that the present problems of the Greek economy have been caused by the international economic crisis, 36% said the responsibility lies with the economic policy of PASOK, and 19% said that the cause should be sought in previous governments of the ND.

2. Thirty eight percent said that these measures will take the Greek economy out of the crisis, while 57% gave a negative answer.

The voters, however, show a greater confidence in the effectiveness of the foreign policy of the government (44%). Seventy two percent of those asked consider the foreign policy of PASOK to be different than the respective policy exercised by the governments of the ND.

The Ecologists are "Coming"

Sensitizing the population on the problems of the environment has produced two impressive indications:

The first is the following: in answer to the question "what is the most important problem of the country" priority was given to the protection of the environment (26%).

The second is the following: 32% of those asked said that it is possible that some day they would vote for an ecological party.

And there is a third element that refers to the problem of the protection of the environment: 72% of those asked were against the installation of nuclear plants in Greece. Only 3% said that the nuclear plants were harmless and should be installed, while 24% said that even though these plants are dangerous they should be installed.

There is no doubt that the Chernobyl accident greatly influenced the sensitivity of the population on this problem.

In Nov 85, the poll indicated that the most important problem was inflation (38%). Naturally, the subject of the harsh measures taken by the government was "hot" during that period. The protection of the environment at that time came third as a problem (just 10%).

A spectacular element provided by the new poll refers to the low percentage of undecided. This phenomenon certifies the mood of the voters to take a position regarding the problems of the country. It is a positive indication of the citizen's interest in public matters.

PASOK Ahead of ND

Athens TA NEA in Greek 10 Jun 86 p 3

/Article by Giannis Tatsis: "The Poll that Chills the ND"/

/Text/ The poll published yesterday by TA NEA rang the bell for the ND, determining-right now-the fate of its decision to give a political character to the October elections.

The poll puts PASOK ahead of the ND by 6 percentage units in two instances. First for the question: "if Greek parliamentary elections were held now, what party would you vot for?", as well as the question on what party those who were asked would vote for "some day". The answers confirm the steady distance that exists between PASOK and the ND.

In these two instances, those who were asked in the "Eurodim" poll (that took place in the Athens, Piraeus and suburbs area) said: 38.5% to PASOK, 32.5% to the ND, to the question if elections were to be held today, and 46% PASOK and 40% ND if elections were held "some day".

This steady distance of 6 percentage units in the strength of the two large parties supports the prediction that the ND is starting a losing electoral fight. The two tables that are being published today in TA NEA show how the voters stand against the parties.

The Confidence

Just as noteworthy is the stand of the voters towards the policy of the government in certain basic sectors. The most important sectors are the economy and foreign policy.

The government is winning the confidence of the voters in handling national matters and its credibility in the subject of the objectives of the economic measures it took in the fall of 1985 is also increasing.

In the first case, 72% of those asked said they were satisfied with the foreign policy exercised by the government.

In the second case, the tendency to accept the economic measures of the government increased by 10 percentage units.

The relationship between economic measures and personal interests can illuminate the problem if we consider that: 47% of those asked said that these measures neither benefited nor harmed them.

Nevertheless, 46% said that these measures harmed them.

The view of the voters who were asked that determines their confidence in the government's handling of the principal subjects of its policy, is defined by the following numbers: 44% for foreign policy, 43% for health and welfare, 38% for education, 38% for informing the public, 35% for the reorganization of the public administration, 35% for the policy on wages and pensions, 19% for fighting pollution, and 18% for fighting unemployment.

By comparing with previous polls (Nov 85), we find that the confidence in the foreign policy of the government increased by 3 units and the confidence in the policy for fighting inflation by 13%, while the confidence in the policy for health diminished by 3 units and for informing the public by 2 units.

The Environment

The answers of the voters asked questions referring to more specific matters of government policy are interesting.

These answers show that the most important (because of the Chernobyl accident probably) problem of the country is the protection of the environment (26%). The other problems are: unemployment (24%), inflation (23%), Greek Turkish relations (11%), energy (7%), relations with the USA and NATO (5%), and the reorganization of public administration (3%).

Of those asked, the ones who said the protection of the environment was the number one problem last year were: PASOK 30%, ND 30%, Democratic Renewal 16%, KKE 8%, KKE (interior) 28%.

Another subject covered by the Eurodim poll is the subject of the function of the democracy. According to the answers that were given, 47% of the voters are quite pleased with the function of the democracy, while 53% are pleased a little or not at all.

The Satisfied

Of those who are considerably or quite pleased, 90% voted for PASOK in 85, 15% the ND and 16% the KKE. With the "intention to vote today" 94% belongs to PASOK, 14% to the ND, 24% to the Democratic Renewal, 18% to the KKE, and 27% to the KKE (interior).

Of those who are a little or not at all pleased by the function of the institution, 10% voted for PASOK, 85% for the ND and 84% for the KKE. With the "intention to vote today" 6% belongs to PASOK, 86% to the ND, 76% to the Democratic Renewal, 82% to the KKE, and 73% to the KKE (interior).

In Nov 85, the correspondence between those who were considerably or quite pleased to those who were a little or not at all pleased with the function of democracy was 41% - 59%.

Of those who were a little or not at all pleased, 23% belonged to PASOK, 84% to the ND, 90% to the KKE, and 86% to the KKE (interior).

Generally, the image of the voter today can be regarded as positive on the basic sectors of policy being exercised in our country.

The poll tables below give a clear picture of how the voters stand and their reactions to timely matters in public life.

Table 1: If elections were to be held today, which party would you vote for?

	ND	Democratic Renewal	PASOK	KKE (interior)	KKE	Remaining Parties	Undecided
Total	32.5%	4.5%	38.5%	5.5%	14%	2.5%	2.5%
Vote 1985							
ND	86	11	0	0	0	3	0
PASOK	2	0	88	4	2	1	3
KKE	0	0	0	94	0	0	6
(int)							
KKE	0	0	1	1	98	0	0

Table 2: Which party would you vote for some day?

	PASOK	ND	KKE	KKE (interior)	Democratic Renewal	EPEN	An Ecological Party
Total	46%	40%	26%	27%	22%	3%	32%
Vote 1985							
ND	2	99	0	3	47	8	13
PASOK	97	7	24	43	12	0	41
KKE	19	0	99	16	0	0	25
Present Intent							
ND	4	100	0	2	41	5	14
Dem. Ren.	4	100	0	8	100	8	16
PASOK	100	4	23	39	11	0	40
KKE (int)	25	0	15	100	0	0	81
KKE	22	0	100	22	0	0	25

Table 3: Have the measures for stabilizing the economy been beneficial to the Greek economy?

	Considerably or Quite	A Little or Not at All	No Answer
Total	29%	69%	2%
Vote 1985			
ND	0	98	2
PASOK	66	33	1
KKE	8	92	0
Present Intent			
ND	0	98	2
Dem. Renewal	0	100	0
PASOK	71	27	2
KKE (interior)	7	90	3
KKE	8	92	0

Chernobyl Influence Discussed

Athens EMBISTEVTIKO GRAMMA in Greek 11 Jun 86 p 7

/Text/ Is Chernobyl Influencing the Greek political scene?

The Eurodim poll conducted from 22 to 26 May was published by TA NEA on Monday 9 Jun 86. According to this poll, the situation from a point of view of the intent to vote is developing in the capital area in the following way:

	Nov 85	Mar 86	May 86
PASOK	32%	33%	38.5%
ND	32.5	34.5	32.5
KKE	16.5	16	14
KKE (interior)	5.5	4.5	5.5
Democratic Renewal	5.5	3	4.5
Undecided	7	8	2.5

There were also answers to the question: "is it probable or improbable that you will vote some day"?

	Nov 85	Mar 86	May 86
PASOK	46%	47%	46%
ND	41	42	40
KKE	30	26	26
KKE (interior)	27	21	27
Democratic Renewal	29	21	22

During the period the poll was conducted, the subject that appears to influence the public opinion is the Chernobyl case. It appears from the facts of the poll that this case has two consequences. During the period the poll was conducted, it defined the protection of the environment as the "most important problem of the country" (26%), displacing the economic problems (inflation-unemployment) from first place. It restricted the undecided to the abnormally low percentage of 2.5%. It is a percentage that appears only a few days before elections and is evidence that something entirely exceptional is happening during the period of the poll to the public opinion.

The question these facts pose is whether this sudden reduction in undecided voters and the subsequent gains of PASOK comprise a passing phenomenon and what will PASOK retain finally after the Chernobyl "effect" indicated by the poll has passed. From the answers to the second question we pose, it is nevertheless clear that nothing has changed radically in the long term political scene that has developed since September. In other words, stagnation and immobility in the area between ND and PASOK. The small percentages of the Democratic Renewal, but "burning" for the ND, and the intense activity in the area left of PASOK (with PASOK and the KKE(interior) being the winners, according to the poll for this round, because of Chernobyl and later developments).

Different Poll Results

Athens EMBISTEVTIKO GRAMMA in Greek 11 Jun 86 p 8

/Text/ The Poll: Another View

A considerably different picture was given by another poll done by Icap-Gallop on 30 May 86 and 1 Jun 86 in the same area (Athens, Piraeus). ELEVTEROS TYPOS published two questions from this poll. The most interesting question was the following:

"Do you believe that the government with Mr A. Papandreou as prime minister is in a position to give solutions to the problems that concern Greece at this time or not?"

	May 86	Oct 85	Nov 84
Yes It Is	30%	37%	46%
No It Is Not	36%	?	?
No Answer	35%	?	?

At this point two phenomena raise a question: The very large percentage of those who did not answer, especially in relationship to the low percentage of undecided in the previous poll (in any case, this must have been influenced by the different techniques used by the two companies in sampling). The drop in the confidence in the government in comparison to Oct 85 (something that ordinarily should be reflected to some degree in its electoral percentage).

It is a fact, however, that the picture the two polls present are not so radically different that it cannot be explained by the different form of the questions, the different methods of sampling and the natural statistical error that is 2-3% for samples of this size.

POLITICAL

ITALY

BRIEFS

IMMINENT CHANGES FOR UNITA—In 6 months' time, L'UNITA will be a brand-new newspaper. Hard at work on the plans for the paper is a team headed by Renzo Foa, assistant editor for the Rome edition, Giancarlo Bosetti, who does the same job for the Milan edition, and Carlo Ricchini, in charge of special projects that will require outside collaboration and consultation—mainly graphics designers and language scholars. The decision to change the format and publish in color is still subject to checks and double-checks as to costs and economic capabilities. The toughest nut they have to crack, though, has to do with the paper's content: how to print political messages, thereby breaking the long-standing tradition at the PCI's daily. "The point at issue," Renzo Foa explains, "is how to be the Party's mass communications medium and still reach outside the Party and becoming a landmark for a far broader area." That problem arose last year, during which there was impassioned public debate about the Italian Communist Party, a debate that got a great deal more coverage in other newspapers than in UNITA. The crucial decision was reached the day after Gerardo Chiaromonte and Fabio Mussi moved into the editorial office. [Text][Rome L'ESPRESSO in Italian 15 Jun 86 p 33] 6182

CSO: 3528/171

POLITICAL

NETHERLANDS

LABOR, LIBERAL PARTIES DRAW CONCLUSIONS FROM ELECTIONS

Amsterdam DE TIJD in Dutch 6 Jun 86 pp 8-11

[Article by Tom-Jan Meeus]

[Text] The great disarray after 21 May.

How the VVD [Liberal]- and PvdA [Labor]-parties lick their wounds.

While the CDA-party is busy forming a new cabinet, led by Lubbers, De Vries and De Koning, an atmosphere of disarray pervades within the PvdA- and VVD-parties. Prime Minister Lubbers' election victory on May 21 dealt the Liberal and Labor parties a resounding blow. How is the VVD planning to get itself out of the bad situation it is in now? Why is actually every solution a wrong one?

And what about the PvdA's jagged perspective for the future? 'There was less solidarity that we hoped there would be.' What about Andre van der Louw as the new party chairman, and what about a joint opposition by Kok and Van Mierlo?

Interviews with Huub Jacobse (VVD member of Parliament) and Wim Meyer (PvdA member of Parliament).

In the CDA-party nobody worries, except for an odd loner. The second Lubbers-cabinet will be formed. The party-members are optimistic and self-confident.

How different [the atmosphere] is in the other parties.

In the past weeks the disarray in the VVD-party took on almost embarrassing proportions, and it is by far not over. The disarray in the PvdA-party has temporarily been given over to a committee inquiry. But the disarray is there, without a doubt.

The analyses of the election results have been made; the wounds are there for everyone to see, and the question is now: how to heal them? How is the struggle within the VVD-party going to end? How is it, that 'no definite choices' will be made, and that the discord will remain? Will Nypels remain in 'an important position' after all?

What is the new PvdA-strategy going to be? An opposition led by Kok and Van Mierlo? Andre van der Louw as new party-chairman?

About the future of the VVD- and PvdA-parties.

* * *

Last Monday he officially said farewell to the Chamber. Last week he cleaned out his files at the Binnenhof [Seat of Dutch Parliament], he discovered that his telephone-'beeper' had already been taken over by a newly-arrived CDA-Chamber member, and he found plenty of opportunity in between to keep abreast of what he prefers to call 'the discussion in the party.'

Huub Jacobse after a stint of 9 years as a member of the Chamber is going to resign, which saddens him a bit. He does not look optimistically to the future of his party, [but] his personal future--without all those, who are 'addicted to politics' around him--he sees in a much more rosy light. But in his party, business is business; we had agreed to talk with him about the VVD-party, in which he, as a typical Amsterdam representative always belonged to the 'left'-liberal, but loyal, wing.

His analysis of all the things that went wrong within the VVD-party in the past months differs little from what had been noted so often: the VVD-ministers showed themselves to be too accommodating in the Cabinet where less important questions were concerned, whereas in the party-factions on the other hand the members were too impetuous, the entire faction-leadership lacked political (crisis)-management experience, and in the end he also thinks it would be 'sensible' for Nypels to step aside as 'political leader,' a term which he, as a matter of fact, 'can hardly bring himself to utter': "Behaving as if a faction-chairman should lead Cabinet Ministers. That is ridiculous, isn't it? Moreover that erodes the position of parliament. Yes, I know that Nypels himself came forth with the theory of 'strategic monism.' That turned out to be wrong." His personality prevents him from using milder expressions.

Self interest

More important, however, is the question of: how the VVD can stand solidly both before the electorate and behind the party platform. He knows that it will come to a coalition government with the CDA again, and that the party will have to give in on a number of issues, but if they [the VVD] do not know how to be specific in their terms the CDA will 'devour' the party even further. And that must not happen.

[Question] There are VVD-[party members] who say: we have to make it clear that the CDA is now the VVD's prisoner. The VVD has, after all, become the only possible coalition-partner for the CDA, and that is a situation that you can take advantage of. Do you think so too?

[Answer] The term 'prisoner' sounds too strong to me. But what I do find too far-fetched is: what some in the CDA-party are shouting, following the

election results, that the VVD no longer has any say. Chatterers like Mateman for instance, who say, that VVD members are only permitted to seat themselves around the table, and that's all they are permitted to do. I do realize that the 21 May-results must have consequences, but, because it is almost impossible for both parties from the electoral point of view alone to form a coalition with the PvdA, the CDA will have to factor in the opinions of the VVD, if only in its own self interest.

As a VVD-member you must ask yourself of course: what are we going to do with the CDA? In any case, I am convinced that a man like Wiegel will advocate an out-of-date solution. Something like: is the CDA willing to take a moderate position and the VVD a more right-wing one? That means that the VVD must take a position to the right of the CDA and be right-alongside the SGP [Reformed Party]. That is not popular with the electorate, nor consistent with liberal principles."

[Question] A number of VVD-members of Parliament did take that line in the past years, in contrast to at least part of the faction.

[Answer] "Well, those members of Parliament were of course right in the middle of the action [and said]: 'Folks, the Cabinet is doing alright, and so is the economy. Don't spoil it with all kinds of other things.' That is understandable, but in the long run [that theory is] not palatable to a genuine liberal constituency."

In the middle.

[Question] In fact, what you are advocating is the opposite, the positioning of the VVD closer to the middle, isn't it?

[Answer] If the VVD wants to avoid being squeezed between the CDA and SGP, the party will have to take a moderate stand on less important points. The VVD will again have to pour over its positions, as they were written down in the Liberal Manifesto a few years ago.

[Question] In fact don't you admit by saying this, that Nypels' efforts to come to a good ruling on those points were right, or at least not without merit.

[Answer] Certainly not without merit. Look, the objections which now are pinpointed to Nypels--and in my opinion too much on him alone-- come from two sides: the one side says that he adhered too much to them [those rulings], the other side says that he didn't adhere enough to them."

[Question] And what is your opinion?

[Answer] The faction has drawn the attention to those questions in the past years, but not sufficiently enough to make that believable to the membership." And that, according to Jacobse, was caused by the faction's lack of experience in political management. Slow to improve that!

[Question] Compare how the CDA handled [the problem of] euthanasia: that party had similar problems between faction and ministers. The CDA solved them, VVD did not.

[Answer] "Yes, that is true. And for that reason a discussion in the VVD-[party] is taking place at this very moment, and that is good. The moment is now, because if you don't do it now, you will have to deal with hardened positions again in half a year's time. But that has many consequences, because there will be new people in important positions. Although, nobody is counting on the possibility of Nypels returning as vice-chairman, for example, I don't rule out that possibility at all. I'll put it stronger: any solution involving the leadership in which Ed Nypels plays a role, is more sensible and has a greater chance of succeeding than all other ways and options, of which there are as many as there are VVD-members in the Hague at the moment."

A real crisis

He smiles. "Oh, all the fuss at the moment. PvdA now says that we are doing very badly in crisis-management. That is, of course, because we have never had to deal with a real crisis. But it is true, that at the moment they are very clumsy in handling it."

[Question] That is also, because the crisis is fairly extensive, isn't it?

[Answer] "Exactly, because it involves not merely one person, but fundamental problems with the long-term political profile in the background."

[Question] The question is then: who is going to win, and who do you hope he is going to defeat?

[Answer] "Well, the problem is that you can hardly speak of consistent movements--and having said this I positively distance myself from all those stories in the newspapers. 'Conservatives opposite liberals'--that picture is pure nonsense. Moreover, the question of which people are going to land in which posts plays right through all this, but that actually stands apart from the discussion. There is no coherent picture--and that makes the problem in itself perhaps even more difficult. For almost everyone the relationships are opaque. A variety of things are being discussed: not only about ad hoc solutions for ad hoc problems, but also, for example, the long-term profile. That makes it altogether very difficult and almost inextricable."

[Question] You are trying to say that you too don't exactly know what is going on?

[Answer] "A lot is going on. Not only the selection of people, who are going to be prominent in the Cabinet, the faction, and the party leadership, but also the choice of a political direction. Just take the faction alone. It has been said that not only Nypels, but the whole party leadership, thus the party management, has not functioned successfully."

[Question] Not only Nypels, but also Evenhuis, Dees, Hermans, De Korte...

[Answer] "Yes, and then again you cannot say that it was their fault, because again there are nuances. That makes it altogether very complicated and more difficult to discern."

A ticklish job.

[Question] If it is all that difficult, it will hardly be possible to solve in a decent way, will it?

[Answer] "It will be a ticklish job to find a completely watertight solution. I have neither the hope nor the expectation that that will come about everywhere. But I must add that to portray the situation as a bunch of cut-throats trying to do each other in, is really inaccurate."

[Question] More interesting actually is your own remark that a good and solid solution is impossible to find.

[Answer] Indeed, I can predict that in the search for solutions, mistakes will be made. I think, that in the coming months it will turn out that a number of problems have not been solved. That is expecting too much."

[Question] Will the VVD remain an internally divided party?

[Answer] The choice that the VVD has--whether to go to the right or to the middle--is about like choosing between a headache and a stomachache. And the ones that are not for this choice, say: let's wait and see."

[Question] Does that mean that VVD will choose division?

[Answer] "Nobody knows at this moment where we will end up. Nypels doesn't know, neither do Kamminga and Bolkestein, and Korthals Altes knows even less. Nobody knows. Therefore, the problems that are being discussed now, will definitely crop up a number of times during the coming years. You don't have to be a prophet to foresee that."

At the Binnenhof a single CDA-party member could be spotted, here and there, who was somewhat less enthusiastic about the VVD-party's struggle over the direction to take: that does indeed make the VVD-party most unpredictable in the coming Cabinet period. Jacobse's words give more credence to the opinions of the CDA-members who are unhappy about the VVD-situations than to the ones that look upon the chaos with glee.

* * *

"Indeed, I have said that about the red flags. I find it, well uhhh..." He explains that as far as he is concerned there is nothing wrong with those red flags. And [he] smoothes over: "The rose in the fist, seems to me to be the right symbol. We won't give that up." Joop den Uyl, [speaking] last week Saturday at the PvdA-party-council meeting.

The picture [is this]: the PvdA's big struggle with its self-image. Even the color of the party flags was discussed last Saturday. But in the end everything remained as it was. The party-council didn't want to change anything. It decided to have an inquiry about the 'political goals, strategy and image.' This, in order to continue the discussion in the party, either within or outside the framework of the inquiry.

Wim Meyer belongs to the leading [PvdA] politicians of the Hague. He is not known as the most progressive of them, which caused him, at the end of the 70's, despite the support of leading PvdA-members, to lose the struggle for the party-chairmanship to Max van den Berg. But, well, that is not a forgotten case. A new chairman will be elected, and Meyer has a pretty good idea what kind of person that is going to be.

[To bring] the horizon closer.

But first something else. The middle. In the past weeks many a 'high-level' PvdA-member has let it be known, that that is the direction the party ought to take.

Meyer: "What is meant with that? I find all of it rather mysterious. It is something like walking in the direction of the horizon, and by so doing trying to bring the horizon closer.

I do agree with the thought that we as a party need to have a strengthened party-base in certain groupings. Call them center-voters, from the socio-economic point of view they are middle-class groupings, people who now vote for the CDA- or D66-party, and also wouldn't mind voting for the PvdA. We must address these people more--that is something quite different from moving to the middle."

[Question] It is indeed typical that you describe it immediately as a change in voters and not a change in party-policy.

[Answer] "Yes, I do describe it in voter terms. Let me give you an example so that it will be clear for you to see how you can discuss it. If you want to implement a real employment opportunity policy in the future, then redistribution of labor is necessary. Redistribution of labor is not dealt with only politically, but above all must also have industry's input. Well, in industry support of the moderates is important, because they are the ones that have to organize it in practical terms. The moment that they are not convinced or aren't motivated to support [that policy], we as a party cannot go on with this kind of policy in our program. In that case we will be organizing too little support. As a social-democratic people's party you need active support of moderate groupings in order to bring about reform measures. I think that we have to keep that well in mind. Because on that point we have partially missed the opportunity."

[Question] How, why, in which way?

[Answer] "There are many causes. I think, for example, that there was quite a difference of perception in the minds of people in the factories

and the representatives in the Chamber about how redistribution of labor should be accomplished."

Regulators from the top.

[Question] You say that your platform was not sufficiently believable?

[Answer] "Yes, in the party image."

[Question] That is a far-reaching problem.

[Answer] "Yes. And, of course, I am not only speaking about the labor-union membership, although there are question-marks there also."

There are more problems, however. "It is not the image alone. That is also a problem. We have, after all, gotten the image of being the regulators with moderates for role-models, laws, and what not, and we haven't come out looking good. In our memoranda we did opt for a decentralized plan, but somehow we got stamped as being the regulators from the top who would stem growth, and slow down investment." How did that happen! He points at the inquiry.

[Question] After all, such an inquiry is never objective, is it? It can at most put a number of opinions carefully in a row, isn't that so?

[Answer] "Certainly, certainly, certainly. Perhaps—and this we will have to look at carefully—we are in a phase in which economic recovery gives people the thought of: I wouldn't mind profiting from that recovery as well. That is different from some time back, when those same people were indeed prepared to pledge solidarity, because of the sense that the misfortune of being unemployed, for example, could hit them as well. Maybe an atmosphere was created by the Cabinet, but also by employers who were willing to put money on the table, but were not willing to allow a 36-hour workweek--whereby everybody got the feeling, that everything would turn out right, that no drastic redistribution of employment was necessary, that it could be done differently too, because Lubbers' policy comes to a figure of around 500,000 unemployed as well. He [Lubbers] promised a purchasing-power guarantee also, stability in social security and, if possible, a rise in benefits. That kind of circumstances has given the voters, which PvdA needs, insufficient reasons to vote for the PvdA."

[Question] There was less solidarity than the PvdA hoped there would be?

[Answer] "I think so. You have to be careful with [this pronouncement], but I do think so. You see, solidarity has to be organized. There have to be goals people can strive for. Those goals, evidently, have to be brought out more clearly."

To cooperate with D66.

The PvdA is seeking voters, who on 21 May did not believe sufficiently in the plans of social-democracy. But how should the party represent

itself in Parliament? Meyer has an idea. He wants to work together with D66--although that could also mean an electoral attack on the D66-party.

"I think that in the coming years perhaps a broad center-left wing will have to be formed. The bind in which the . . . finds itself is nothing exclusive. The PvdA-party is not alone in having to worry about the question of how to make a dent in the center-right power position of the ruling Cabinet. That also goes for D66 and one or more parties that lean somewhat to the left. I don't have ready-made solutions for this question, and I am not ready to try out once again old tactics from the past. But, if we are decided to have an inquiry within our own circle, why then shouldn't we seek together a way to come forth with a different policy which is in our best interest. What I do believe in is this: a pulling together of ideas on a different, progressive policy. I don't want to go back to the discussion about a Progressive People's Party. Look, the slogan of D66 was of a different political nature. So too was the essential content of the alternative [policy] of the PvdA and the other progressive parties. All of us together want to be the alternative for [a] center-right policy. Starting from the point that the political split will never give the left a majority in the Netherlands, without far-reaching constitutional reform, you have to conclude that the left will always have to govern with either the VVD or CDA. If you want to enlarge the chances of that kind of a center-progressive government, then you will have to choose a joint coalition. What I always say is: Let's see, what self-analysis as far as that point goes will lead to. Since D66 has won parliamentary seats also, they, just as we, have the problem of what to do with them."

[Question] Are you thinking of an opposition of Kok and Van Mierlo cooperating with each other?

[Answer] "Yes. If you reject the government now in power, and start opposing then, in the manner in which you conduct the opposition, you can fine tune it to what you expect it to be in the future, can't you? That doesn't have to be done on a tiny scale. But it can very well be done jointly." The answer is up to the Democrats.

Bridge builder.

Den Uyl is leaving, and is succeeded by Kok. Van den Berg is leaving also, but his successor isn't named yet, and won't be chosen until April next year. Does Meyer have any ideas about who the new chairman should be?

[Question] You have told the NCRV-[Dutch Christian Broadcasting Company] radio that you are in favor of a party-chairman "who, instead of driving piles into the ground, builds bridges." That is breaking with the past!

[Answer] "In which way?"

[Question] It is difficult to deny that here and there piles have been driven into the ground by the party-chairman in the past years!

[Answer] "Oh well, yes, but we are now talking about the future."

[Question] Do I have to conclude from your argument that you are eyeing someone with the Hague [parliamentary] experience?

[Answer] No: "What my ideal would be is, to find someone who is available to allow the pluralistic PvdA-membership to communicate with each other openly, so that political creativity can be encouraged, with an open eye and without fear of new ideas. I agree with Felix Rottenberg, at least I am very sympathetic to his ideas about this matter. The PvdA must be a kind of spiritual haven for progressive politics. There must be an atmosphere of creativity, tolerance and encouragement, and less an atmosphere of procedures and intricate meeting-schedules. Only then will you get the vigor, only then will talent rise to the top. In order to get that, I am looking for a bridge builder. But there is something else. That has to do with building bridges to reach new voter-groups. To do that, a party-chairman plays a very important role. The building of bridges is thus meant in a dual sense."

[Question] As for the last statement, you are clearly hinting at a middle-of-the-road figure!

[Answer] "As far as I'm concerned, that's not necessary. Just think back to the times of Andre van der Louw. He entered as a controversial party-chairman. But I believe, that in the early 70's Van der Louw succeeded in involving a great number of the younger generation in politics through his actions. He also got groups of people, who supposedly were not directly in touch with the party, interested in the PvdA-party. The political orientation of the new chairman doesn't interest me that much, honestly speaking. Usually the chairman is somewhat more left than the people in the organs representing the party. The chairman being somewhat more left doesn't matter, as long as there is a connection to the movement."

No claim.

[Question] Andre van der Louw is available. He could continue the trend of the beginning 70's in the middle 80's.

[Answer] "No, I won't name names. But let me say this: I am quite convinced that he was a very good chairman. But, on the point of whether I should advise him to exert himself a second time; I think, that should be left to the person himself to decide. In any case it is the party's duty to determine in the first place what kind of chairmanship is wanted."

[Question] Would you prefer that he [Van der Louw] make a positive decision?

[Answer] "I don't have a claim on him, that would be irresponsible. He and the PvdA-party stand free of each other. But let me say this: that what he represented then, gave perspective and spirit to the movement. But I see other people within the party and the movement who possibly could evoke this. We are not in need of people."

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POLITICAL

SWEDEN

CONSERVATIVE NEWSPAPER: ADELSONH HAD DIFFICULTY IN OPPOSITION

Placed Stamp On Politics

Stockholm SVENSKA DAGBLADET in Swedish 5 Jun 86 p 2

[Commentary by Ola Gunnesson]

[Text] When Ulf Adelsohn agreed to assume the task of leading the Conservative Party, he had been reluctant to take this step for a long time. I believe I dare say that he never sought the leadership role.

During our conversations over several years, he often spoke of his concern about possibly having to shoulder such a heavy responsibility some day. Would he be able to do the job? Would he be able to handle the stress of confronting Olof Palme in important debates? What would happen to his private life and the personal integrity he had always valued so highly?

Ulf Adelsohn did ask these questions with a slight dread in his voice. Uprightness and honesty are among Adelsohn's characteristics. I have known him for decades and am convinced that his concern about the task of leading the Conservative Party was completely genuine.

When he was elected, he stated his reservations: he did not intend to remain in this office permanently; he would serve for a period of time; later he wanted to do other things in life.

Perhaps one might say that Adelsohn lacks real passion for politics and the will to totally concentrate on being a leader, which is required of anyone who wishes to remain at the very top for a very long time. If so, it is logical that he wants to leave after 5 years and two elections which, let us not forget, were the Conservative Party's best during the postwar years.

Anyhow, one thing is certain: Adelsohn finds it difficult being an opposition politician. He himself usually says that he is too executive-minded for the role. He would like a real job, giving him the opportunity to make decisions and achieve results. He often talks about the time he spent in Stockholm city hall, where he felt completely at home. This was a happy period!

There is much to suggest that Ulf Adelsohn would have stayed in Swedish politics much longer than is now the case had he been chosen to head a nonsocialist government or appointed to another top post in such a government after the election last fall.

But politician for life--never. This dedicated he is simply not.

Anyone who knows Adelsohn well cannot criticize him for leaving the party-leadership post at this time. He has done his duty for 5 years, while establishing a family and finding other things in life to live for.

He has reason to be proud of the way he handled important confrontations with Olof Palme, an unprecedentedly experienced and difficult opponent.

He also added a human dimension to political life, which everybody in this special branch are not capable of doing.

As a result, he sometimes let slip a few more or less well-chosen words, the price he had to pay for his openness toward each and every one in practically every situation.

Adelsohn took last fall's election defeat very hard. Probably few of us can even imagine the painful situation he was in for weeks before and months after the election. Facing head winds of almost inexorable force, the person at the very top of the party pyramid felt both abandoned and alone.

The Conservative Party's defeat in the last election was essentially due to the shifts that are always taking place among nonsocialist voters and that all nonsocialist politicians must take into account. This does not prevent a party leader from experiencing the loss as a personal defeat, however.

This was, no doubt, the case with Ulf Adelsohn, and the election result undoubtedly hastened his departure.

Now, less than a year later, other winds are blowing among nonsocialist voters. Adelsohn is leaving after a SIFO poll now shows that the Conservative Party has broken its losing trend.

Adelsohn has done a good job and he has placed his stamp on Swedish politics, for which everybody involved in politics in this country owe him gratitude.

Continued Bohman's Moderate Course

Stockholm SVENSKA DAGBLADET in Swedish 5 Jun 86 p 2

[Editorial]

[Text] When Gosta Bohman was elected chairman of the Conservative Party in November 1970, the change in party leadership was an expression of political differences within the party, among other things. Gosta Bohman was thought to represent a dark-blue phalanx as opposed to Holberg's lighter blue.

In reality, the election of Bohman led to a liberalization of Conservative Party politics, but not a liberalization patterned after the sixties. The liberal orientation did not mean a move toward the political center, but a deliberate association with traditionally liberal ideas. The Conservative Party became a liberal Conservative Party with a sharp ideological profile.

The next change in party leadership, which took place in October 1981 when Ulf Adelsohn replaced Gosta Bohman, was marked by continuity to the same degree that the change in 1970 had been marked by divergence. Ulf Adelsohn was elected as the right person to continue Bohman's politics and to further actualize them. During Bohman's leadership, the Conservative Party adopted a new program of ideas, and Bohman used the platform given to him by the Minister of Economy and Budget to carry out his social analysis and his political message.

Under Ulf Adelsohn's leadership, the Conservative Party's program of ideas became a program of action, which in turn resulted in action across the entire political spectrum.

When Ulf Adelsohn now steps down as party leader, it becomes apparent that he did not consider himself as well suited for the opposition role as for the government position. This primarily testifies to Adelsohn's underestimation of what was accomplished during his 5 years of leadership. For the first time in many decades there is now a developed political alternative to Social Democratic politics. And to develop such an alternative, to

prepare to take control of the next government, is in reality a main function of the political opposition. The opposition does not only, or even primarily, object to the policies espoused by the government in power.

Besides, by virtue of his personality and his way of handling the party chairmanship, Adelsohn has broadened the Conservative Party leadership base, which is an invaluable future asset. This will not least be reflected in the current debate as to who shall succeed Adelsohn. Although one or several primary candidates will undoubtedly emerge relatively soon, it is quite clear that the Conservatives do not face the same dilemma as did the Center Party when Falldin stepped down or the Liberal Party prior to the fortunate election of Bengt Westerberg. There are a number of politicians per se who might conceivably become Conservative Party leaders.

Regardless of who is elected, it can already be said that this change in party leadership will also be marked by continuity. And, in a way, this was indeed inevitable because the development process under Bohman and Adelsohn has given the Conservative Party such a strong political base that its policies will remain unchanged. The Conservative Party is its political program today. In that respect, the party has distanced itself to the greatest extent possible from the loosely organized parliamentary Farmers' Party, a root element of the Conservative Party.

However, with the departure of Ulf Adelsohn, the image of the 1985 election result grows dimmer. And this is judged on the basis of the Conservatives' extremely strong position in the polls during the early stages of the election campaign.

But developing a political program and political opinion are long-term projects. Early in this century the Social Democrats learned that the breakthrough of their reform policies was preceded by many long years of disappointments.

It is, and has always been, wishful thinking that the practical results of the Conservative Party's political growth in the seventies and early eighties would manifest themselves already in the mid and late eighties.

Success requires understanding of the need to be foresighted, to plan long range and, therefore, understanding of the need to persevere. And a nonsocialist party also needs to understand that success never appears in the form of unique and isolated gains with respect to one's own party; success will always appear in part as influence on other nonsocialist parties' policies.

Part of the political legacy handed down from Gosta Bohman to Ulf Adelsohn, and which Adelsohn will now pass on, is simply the

understanding that profile politics must always be practiced within the framework of cooperation, with the aim of forming a joint nonsocialist government. Included in this legacy must also be the understanding that every election cannot be successful with respect to one's own party.

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POLITICAL

SWEDEN

POLL SHOWS CONTINUED GAINS FOR SDP, LOSSES FOR CONSERVATIVES

Workers Returning to SDP

Stockholm DAGENS NYHETER in Swedish 13 Jun 86 p 9

[Article by Dick Ljungberg]

[Text] Even according to the Central Bureau of Statistics' (SCB) May poll, things look good for the Social Democrats and bad for the Conservatives. The Center Party, which has influence today, seems to have stemmed its decline.

This poll was taken between 28 April and 21 May. The nuclear accident at Chernobyl was disclosed during the early part of this period, and the polling had already been completed when Ulf Adelsohn announced his departure.

Of the 10,000 persons interviewed by telephone, 10.1 percent chose not to participate.

These are the May polling figures with the 1985 election results in parentheses: the Center Party, excluding the Christian Democratic Party (KDS), 10.3 (10.1) percent; the Liberal Party 16.7 (14.2); the Conservative Party 18.8 (21.3); the Social Democratic Party 46.4 (44.7), and the Communist Left Party (VPK) 4.3 (5.3) percent.

Socialist Block Gaining

According to the SCB November poll (following the election), the socialist block was gaining, and it is now considerably ahead of the nonsocialist block: registering from 50.0 to 51.5 percent of the voter support, compared to the nonsocialists' 45.0 to 46.5 percent.

The Center Party (excluding KDS) at 10.3 percent shows a slight gain of no more than 1.1 percent compared to the November poll,

but this gain is not statistically certain. The Center Party has lost approximately one half of a percentage point of its support to the Liberal Party since the election.

The Liberal Party has gained voter support of between 1.8 and 3.2 percent to 16.7 percent since the election, primarily due to a certain net flow from the Conservative and the Center parties. Compared to the November poll, however, the party has lost support of between 0.5 and 1.9 percent. The Liberal Party shows a net loss to the Social Democratic Party, the Center Party and the "Don't know" group, but continues to pick up Conservative Party support.

Conservative Party Losing

The Conservative Party has lost voter support compared to the election results and the November poll (1.9 to 3.2 percent and 1.0 to 2.3 percent respectively). Since the November poll, the Conservatives have lost voter support to the "Don't know" group, the Liberal and the Social Democratic parties (0.2 percent).

The Social Democrats have gained support of between 0.9 and 2.5 percent to 46.4 percent since the election, but between 2.0 and 3.6 percent since last November. Since the election, the net gains have come from the Conservative and the Communist Left parties and, compared to November, even from the Liberal Party.

The Communist Left-Party support of 4.3 percent represents a loss of 0.7 to 1.4 percent and, since last November, a loss of 0.5 to 1.1 percent. The net loss has been to the Social Democratic Party.

"Other parties," including KDS, register 3.5 percent of the voter support, a marked decline since the election.

With respect to age, the Center Party has lost support within two age groups, namely 18 to 24 and 30 to 34, but has gained support in the 55 to 59 group. The Liberal Party, however, has lost support in the latter group since November. The Conservatives have lost support while the Social Democrats have gained support in most of the age groups. Most of VPK's supporters are age 30-34, representing almost 10 percent of the party's support.

The Conservative Party has stemmed its decline among younger male voters, while the decline continues among older men and women. Older voters (over 35 years of age) normally constitute a relatively large share of the Social Democratic Party's support, but since last November the party has gained more support among the younger than the older voters.

The Social Democratic Party has definitely gained support among workers, while the Liberals and the Conservatives have lost worker support. The Conservative Party shows continued loss of support

among government employees, while the Liberal Party has gained support among lower-rank government employees. The Conservatives have also lost support among small business owners, while the Social Democrats have made inroads among independent entrepreneurs. The government party has even gained support among students.

Paper Examines Poll Results

Stockholm DAGENS NYHETER in Swedish 13 Jun 86 p 2

[Editorial]

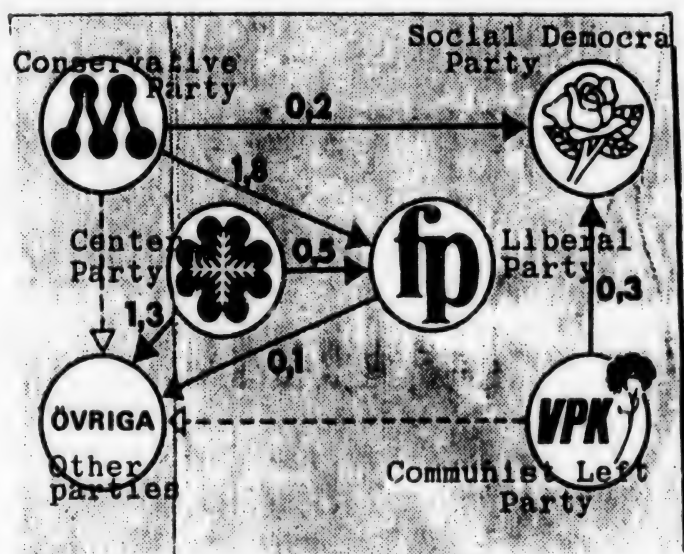
[Text] Whereas the SCB November poll pointed to a balance between the political blocks, the same poll 6 months later shows a clear nonsocialist majority. This is hardly surprising but, different from other polling institutes, SCB with its broad selection of 9,000 interviewees registers more support for the Conservative Party than for the Liberal Party. However, it is not a matter of voters returning to the Conservative Party; on the contrary, there has been a flow of support from the Conservative Party to the Liberal Party for the last 6 months. The reason is rather that Liberal Party gains since the election have been overrated in other polls, at least according to SCB's computations. Both parties have lost some voter support since last November, primarily among voters who are no longer certain about their support and now answer "don't know." But the Liberal Party--and to some degree even the Conservative Party--has also lost support to the Social Democrats, presumably since Olof Palme was murdered. Even the Communist Left Party (VPK) has lost support to the Social Democrats. No so as far as the Center Party is concerned, however, whose position remains virtually unchanged since last November.

The Social Democrats' gain has been across a broad front. It is interesting that the Social Democrats' gain among small home owners equals a Conservative Party loss of support, and something similar seems to have happened among government employees. Not least in these categories did the Conservatives earlier claim to have picked up direct support from the Social Democratic Party; the flow now seems to be in the opposite direction.

Balance of power between the political blocks seems to have been restored since the last election. What may seem somewhat surprising is that the net flow of support among the nonsocialist parties has been relatively modest. The three parties' attention to their relative differences seems to be somewhat exaggerated,

from the voters' point of view. In the last 6 months--or at least since Palme's death--the nonsocialist parties have not lost very much support to each other; instead, a growing number of former supporters have become undecided and some have switched their support to the Social Democratic Party.

As far as the opposition parties are concerned, their most important task seems to be to convince voters that they constitute a real and credible alternative. The Social Democrats rather than the Liberals, for example, must have reason to be satisfied with their political status.



This shows the statistically certain net flow of voter support between parties since the 1985 election until May of this year. The arrow indicates the certainty of the flow with respect to direction, but not magnitude. The Center Party's loss to "other parties" is essentially due to the fact that KDS is now part of this group.

8952

CSO: 3650/241

POLITICAL

SWEDEN

POLL SHOWS CONTINUING SLIDE : COMMUNISTS, LIBERALS

VPK Now Below Threshold

Stockholm DAGENS NYHETER in Swedish 22 Jun 86 p 8

[Article by Dick Ljungberg: "Failing Support for the Liberal Party"]

[Text] The Conservatives and the Center Party are gaining, while the Liberal Party is declining. That tendency is pronounced in the DAGENS NYHETER-Institute for Market Research [DN-IMU] poll of voter opinion in May. The Social Democrats remain at a high level.

The poll which includes 894 interviews during visits to homes was made during the period 12 May to 4 June. Consequently, it had been concluded when Ulf Adelsohn announced his resignation as Conservative leader this fall. All changes since the previous measurement in April fall within the margin of error.

The result in May, with changes since April in parenthesis:

Social Democrats 46.5 (+ 0.5), Conservatives 18.0 (+0.5), Center Party 11.0 (+ 1.0), Liberal Party 17.0 (-2.0), Left Party-Communists [VPK] 3.5 (-0.5), Christian Democratic Union [KDS] 1.5 (+0.5) and the Environmental Party 2.5 (unchanged).

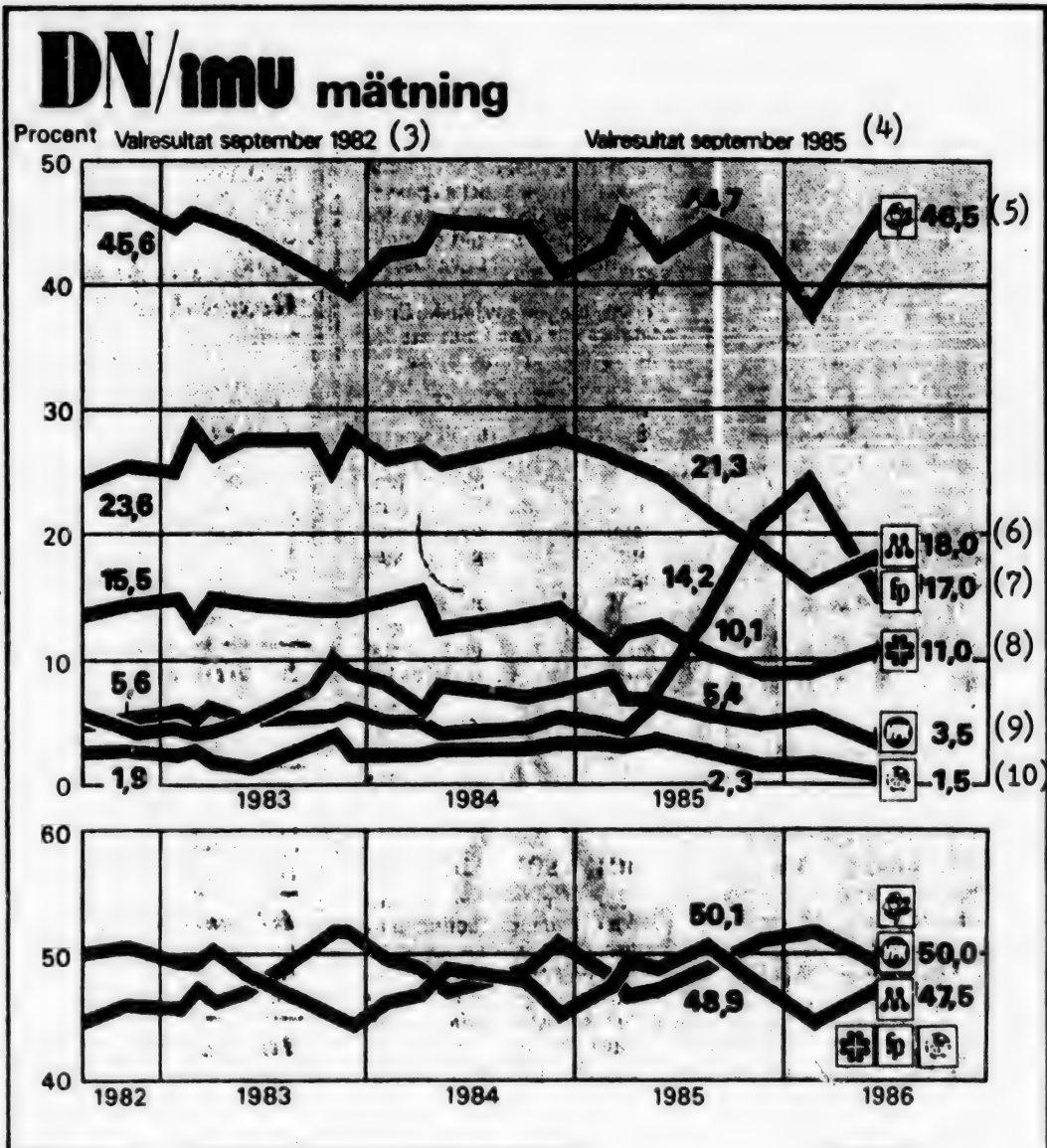
High Figure for Social Democrats

This means that the position in May between the blocs has not changed since April. The Social Democrats and the VPK together have 50.0 percent of the support, while the non-socialist parties including the KDS have 47.5 percent.

Hence, the Social Democrats remain at the high level reached in the first IMU poll after the assassination of Olof Palme. And a special poll carried out by IMU regarding confidence in the administration shows continued high figures: 77.3 percent of the voters have confidence in the Ingvar Carlsson administration, which is a few tenths below the April result (77.6 percent). The corresponding figure for January/February was 55.9 percent.

(1)

(2)



Key: 1. DN/IMU Poll 6. Conservatives
2. Percent 7. Liberal Party
3. Sep 1982 election result 8. Center Party
4. Sep 1985 election result 9. VPK
5. Social Democrats 10. KDS

Again the Largest

Among non-socialist voters, 59 percent have confidence in the government, as against 55 percent in April and 32 percent in January/February.

In the September 1985 election the Social Democrats received 44.7 percent of the votes.

The Liberal Party came on like a comet in the election, and in IMU polls since then it has been larger than the Conservatives. In February the gap was as wide as 24 percent for the Liberal Party as against 16.5 for the Conservatives. Order has now been restored since the election. The Conservatives are again the largest non-socialist party after cautious gains three polls in a row. This, while the Liberal Party has suffered more pronounced losses during the same period.

However, the Conservatives are still below their election result of 21.3 percent, while the Liberal Party is above its election result of 14.2 percent.

Recovery

The Center Party appears to have checked its fall and begun a recovery with three gains in succession. This might be good for party leader Karin Soder to use as support. In the election the Center Party and cooperating KDS together received 12.4 percent, and the two parties together remained at exactly that level in May as well.

The VPK, which was in a favorable position last winter with respect to the quarrel about distribution policy within Social Democracy, now suddenly falls below the 4-percent barrier in the Riksdag.

The May IMU poll indicates a certain stabilization in the electorate after the dramatic events this winter and spring of the assassination of Olof Palme and the nuclear accident at Chernobyl (the latter does not seem to have helped the environmental party, the Greens).

The IMU results also agree as far as the levels are concerned with the major voter poll for May published by the Central Statistical Bureau last week. In the latter the Social Democrats received 46.4 percent, the Conservatives 18.8, Center Party 10.3, Liberal Party 16.7 and the VPK 4.3 percent.

Return to Pre-Assassination Patterns

Stockholm DAGENS NYHETER in Swedish 22 Jun 86 p 8

[Commentary by Sven Svensson: "Sobering-up in the Electorate"]

[Text] The voter barometer for May indicates a sobering-up in the electorate after the shocking events of the last year, with the assassination of Olof Palme and the reactor catastrophe at Chernobyl at the top of the news index. The Conservatives appear to be stabilizing at about three percentage units below the election result, the Liberal Party at three above and the Center Party at approximately the election result. The true opinion of Ingvar

Carlsson after a successful initial period will not be measured until the fall.

For the non-socialist opposition the relationships of strength mean a return to the position before the 1976 historic change of government. The Liberal party and Center Party together gather nearly 30 percent of the electorate. The middle parties are therefore considerably stronger than the Conservatives.

At the same time the Conservatives and the Liberal Party are roughly comparable magnitudes of around 17-18 percent. Those must surely be regarded as rather normal figures for these two parties.

The likely stabilization of party support for the non-socialist parties represents balancing problems between the parties' own profiles and three-party cooperation with a view to a change of government in the 1988 parliamentary elections. Although each non-socialist party has its own characteristics, there is a limit to how far the individual party profile can be pursued without fanning doubts in its ability to govern.

The Conservatives had long had greater credibility than the other non-socialist parties as regards three-party cooperation. The desertion by the Conservatives from two non-socialist administrations and the failed campaign for a change of system in the most recent election constitutes a major depreciation of this general non-socialist confidence capital.

Since Ulf Adelsohn turned out not to be durable enough in the hour of need, the Conservative party leader election this fall will be of significance for the course of cooperation which the Conservatives want to follow.

The choice of new party leader will signal whether the Conservatives' desire to be the largest non-socialist party weighs more heavily than a change in government in the 1988 election. In the 1985 election the right-wing specter functioned as a Social Democratic life preserver.

"It is important to look further than your nose," said Ulf Adelsohn in his political testament in the eternal non-socialist cooperation serial.

It will become difficult for Ingegerd Troedsson or Carl Bildt or whoever shoulders Adelsohn's fallen cloak to ignore his words of wisdom.

In Uppsala the Center Party elected its new party leadership with a lot of hugging and loud fanfares of unity.

There is no doubt that Karin Soder is the best choice of party leader now that Thorbjorn Falldin has been kicked out under humiliating circumstances. The rallying around her is as complete as can be.

In other cases the proclaimed unity appears more artificial. Deputy party leader Olof Johansson was not good enough to be party leader, as demonstrated by the intrigues of the Center Party election committee. He has now been

restored to favor and is allowed to function under Karin Soder's protective wings.

The rallying around second vice chairman Karl-Erik Olsson is not whole-hearted, at any rate. He was picked without a fight because the convention wanted to avoid quarreling. And the controversial chairman of the election committee, Inge Persson, was re-elected, to be sure, but he has been given 12 months notice. In the long run no party can be well served by an election committee, the chairman of which is not supported by complete confidence.

In the 1985 election the Center Party lost primarily because of a low profile on the government issue and a variety of factual issues. The obscurities remain even after the national meeting in Uppsala. Karin Soder says that she wants to act for the creation of a non-socialist government, but at the same time she wants to implement a so-called policy of results together with the Social Democrats. This balancing act will turn out to be difficult, if the policy of results is to be acquired at the cost of increased non-socialist division, as is the case with television advertising.

The cheering from Ingvar Carlsson, and in particular from the Social Democratic press, is likely to become a difficult problem for Karin Soder to overcome.

The popular comparison with Gunnar Hedlund's so-called policy of results will not hold up. Hedlund worked with the Social Democratic protective net of the bicameral Riksdag and the Swedish people did not at that time elect its government in one election.

The creation of the unicameral Riksdag has altered the political situation by jeopardizing the administration in every election. Even Gunnar Hedlund realized this. In the 1968 parliamentary election the decision to change to a single-chamber Riksdag was a fact. Hedlund then acted as a leading non-socialist opposition politician and declared himself ready to enter into a non-socialist administration together with the Conservatives. This attitude was later reinforced in the first election for the single-chamber Riksdag which was held in 1970 and when Social Democratic leader Olof Palme even promised that "the movement" would deal with Hedlund.

In decisive phases Gunnar Hedlund and Thorbjorn Falldin represented the largest non-socialist party in the Riksdag, and Karin Soder the smallest. Her balancing act will become considerably more difficult and delicate in the cooperation issue than that of her predecessors.

The Liberal figure of 24 percent in the February poll was a temporary freak without the slightest anchoring in a future election outcome. A stabilization around 17-18 percent must be perceived as an extraordinarily good result for Bengt Westerberg, who less than 1 year ago headed a party threatened by near extinction, and who in the cooperation issue can await new signals from the Center Party presidium and the future Conservative presidium.

30 July 1986

Ingvar Carlsson has achieved very high voter figures but has recently been very quiet. Decisive for the high poll figures is the shock effect and fear triggered by the assassination of Olof Palme and the Chernobyl catastrophe, but also the economic optimism that prevails in Sweden.

Economically, everything has played into the hands of the Social Democratic government with lower interest rates, lower budget deficit and reduced inflation.

It is therefore not until this fall that Ingvar Carlsson's leadership qualities and the mobilization capability of Social Democracy will be tested in a more serious way. At that time the strike situation within the public sector will become clearer and the administration must then decide how heavily to tax the retired, what the size of the defense spending will be, etc.

And the wage earner funds hang like a sword of Damocles over Ingvar Carlsson's head.

Resistance to the wage earner funds is compact. New studies indicate that as many as one-fourth of the Socialist voters are still opposed to the wage earner funds.

The funds are therefore the greatest information failure of the Social Democrats ever, but the non-socialist parties have not managed to derive any party-political benefit from it. Social Democrats who are against the funds still vote Social Democratic.

Nevertheless, the wage earner funds still represent a latent loss hazard for the Social Democrats, in particular if the LO [Federation of Trade Unions] during its coming congress were to demand expansion of the fund in one or another form. In that case Ingvar Carlsson's balancing act in order to keep "the movement" together would be put to a decisive test.

Paper on Liberals' Losses

Stockholm DAGENS NYHETER in Swedish 22 Jun 86 p 2

[Editorial]

[Text] Confidence in the government is still great among the voters, and the Social Democrats remain at the high level of this spring in the IMU poll published by DAGENS NYHETER today. Up to now the government's handling of the nuclear power plant issue has not affected sympathies; this despite the fact that an opinion poll in VECKANS AFFARER shows that nearly half the Social Democratic voters want to dismantle nuclear power quickly in agreement with Alternative 3 from the popular referendum. On the socialist side, even the nuclear power-critical VPK has ended up below four percent for the first time in a long time.

From April to May no statistically certain changes took place, and the study was concluded the same day that Ulf Adelsohn announced his resignation. However, a comparison with the opinion level of last winter shows that the Liberal Party has lost a number of the supporters who poured in after the election, and that the Conservatives and the Center Party have gradually recovered. Primarily mobile urban voters seem to have abandoned the Liberal Party, which is still a few percent above its election result, however.

From the competition between the non-socialist parties follows that no trees have been permitted to grow to the sky. A leveling-off in size between the three parties could provide less tension and increased opportunities to form a joint government alternative. But for the Liberal Party the loss of supporters also reflects the difficulties of finding a natural opposition role after the assassination of Olof Palme and the nuclear accident at Chernobyl.

Once more has been demonstrated how dependent the party is on Bengt Westerberg--and on his correct evaluation of the political situation. By starting a debate about the "commando state" too soon after Palme's death and by avoiding to take a sufficiently clear position on Swedish nuclear power after Chernobyl, the Liberal Party during the spring got out of sync with public opinion and had to devote considerable effort toward explanations. The readiness to deal with unexpected situations has not been sufficient, partly due to the fact that the Liberal leadership still lacks any real breadth. Westerberg who pulls a heavy load has not so far--despite repeated attempts--gotten a grip on his principal opponent, Ingvar Carlsson.

It is necessary for the Liberal Party after the summer recess to try to recapture the loss of momentum. Bengt Westerberg's announced invitation to Karin Soder and Ulf Adelsohn's successor to discussions could be a step toward more collected opposition politics, which gives the Liberal leader the opportunity of dealing with Ingvar Carlsson with more power. Nevertheless, it is most essential that the party make itself heard with more voices and that there will thus be room for more opinions in the debate. Westerberg cannot alone win yet another election for the Liberal Party.

11949

CSO: 3650/254

POLITICAL

TURKEY

APPEAL FOR LIFTING BAN ON POLITICIANS

Istanbul HURRIYET in Turkish 1 May 86 p 3

[Text] The SDPP [Social Democratic Populist Party] has come out in favor of lifting provisional article 4 of the constitution which places a 5-10-year political ban on former political party administrators. SDPP leader Aydin Guven Gurkan gave instructions to his group leaders to have SDPP deputies add their signatures to the proposal for a constitutional amendment drawn up by Abdullah Nejat Resuloglu, the Ankara deputy suspended for 1 year from ANAP [Motherland Party].

Resuloglu's constitutional amendment proposal was signed earlier by 12 SDPP deputies, 4 Democratic Left Party deputies, 2 from the Nationalist Democracy Party, 2 independents and 2 from ANAP. If the remaining 84 SDPP deputies sign the petition, it will have a total of 94 [as published: 96] signatures. The constitution requires that a petition for constitutional amendment have 133 signatures for presentation to the speaker of the Turkish Grand National Assembly.

At the meeting held the first of the week with his group deputy chairmen, SDPP General Chairman Aydin Guven Gurkan said, "It is necessary to sign as a party to have the undemocratic restrictions lifted," and asked that his national deputies sign as a group rather than individually. SDPP Deputy Group Chairman Seyfi Oktay said, "All national deputies will sign Resuloglu's proposal on instructions of our general chairman. However, we may make certain corrections and revisions in the rationale."

SDPP leader Gurkan had earlier opposed signing of the amendment proposal by SDPP deputies and asked for party administration approval of this procedure. He told a HURRIYET correspondent, "I wanted all of my colleagues to sign the proposal."

Provisional Article 4 of Constitution

- 1) From political parties abolished by Law No 2533, 16 October 1981:

Of the political parties which were the party in power and the major opposition party on 11 September 1980 and those in connection with which public suit has been brought against either the party corporate body or its central administrators or any one of its members of Parliament for any crime committed

against the character of the state as set forth in Book 2, Section 1 of the Turkish Penal Code:

a) [Persons holding the position] on 1 January 1980 and thereafter [of] general chairmen, general secretaries, their assistants and members of the central administrative boards or similar organs, for a period of 10 years commencing from the date on which the Constitution is accepted by popular vote, may not establish political parties, may not be members of political parties established in the future as provided by the Constitution and may not run or be nominated as independents by these parties in local elections or in general and interim elections for national deputy. They may not establish ties in any form with political parties and may not accept any duty, even honorary, from political parties.

b) National deputies and senators who were members of the Turkish Grand National Assembly on 1 January 1980, for a period of 5 years commencing from the date of acceptance of the Constitution by popular vote, may not establish political parties, and may not accept duties on the central administrative boards or similar organs of political parties established in the future.

2) Anyone who on 1 January 1980 was a quota senator or member of the Republican Senate or an independent member of the Turkish Grand National Assembly who has had public suit brought against him for any one of the crimes against the character of the state set forth in Book 2, Section 1 of the Turkish Penal Code or has joined one of the political parties described in paragraph 1 shall be subject to the provisions of paragraph 1(b).

8349

CSO: 3554/64

MILITARY

CYPRUS

BRIEFS

TRNC MILITARY EXERCISE PROTESTED--With the "blessing" of the UN peacekeeping force which, sources say, did not inform the government, Turkish forces in the occupied territories carried out a big military exercise code-named "OUFOUK" ("Horizons"). The government, which had not made any announcement about this exercise for 3 days, stated yesterday through its spokesman--in response to reporters' questions--that it made a strong protest to the UN about the new Turkish provocations. The spokesman emphasized that the exercise is a new Turkish provocation aimed at irritating and coercing the Greek Cypriot side. He added that land, sea and air forces took part in the exercise. Although the government mentioned the exercise only yesterday, G. Kharalambopoulos, Greece's minister of national defense, had made a statement about "OUFOUK" last Tuesday. At the same time, according to the Athenian press, the National Guard had been put in a state of readiness. The Athenian newspapers wrote that more than 12,000 men took part in the exercise, which included armor, artillery and helicopters. The helicopters "charged out of camouflaged secret heliports." [Text] [Nicosia TA NEA in Greek 7 Jun 86 p 1] 12570/8918

CSO: 3521/174

MILITARY

DENMARK

SDP PAPER, 'MONITOR' COLUMNIST ON SECURITY POLICY DEBATE

Paper Opposes Election Over Defense

Copenhagen AKTUELT in Danish 18 Jun 86 p 10

[Editorial: "Defense and Election"]

[Text] "There will be an election if this fall the Socialist People's Party [SF] and the Left-Socialist Party [VS] succeed in enticing the Social Democratic Party [SDP] into a resolution which leads to Denmark renouncing the reinforcement agreements with our NATO allies," said Foreign Minister Uffe Ellemann-Jensen.

There could be an election for numerous reasons. Mainly the only area which cannot be imagined as the cause for an election is defense. But the government has almost reached a state of hysteria because the SDP is working on a resolution about a members' debate on a new defense agreement based on the existing defense compromises.

So far it is just a rough draft. It has had a first debate, which can be characterized as comments. A members' debate will surely come. There is no question of an SDP break with its defense partners, but there is talk of adjustment in many different things. For example the Falklands War has taught us how little frigates costing billions are worth in modern warfare. Besides it is a basic SDP view that the defense should not be offensive, but defensive. And it is still a crystal-clear understanding that "SDP sees no alternative to membership in the Atlantic Pact and its military organization NATO," as it says in the resolution: "The total resources of NATO are to be utilized as efficiently as possible, utilizing appropriate specialization and other measures." It says further that it is imperative that our national independence and individual human freedoms be protected, "which is fulfilled through our membership in NATO."

Let there now be an SDP members' debate--or an overall debate--about defense, defense compromises, reinforcement agreements, the character of the defense, etc. and let there be political discussions about a new defense compromise, before there is a threat of something so demented as a defense election.

Security Policy Dilemma Feared

Copenhagen BERLINGSKE TIDENDE in Danish 23 Jun 86 p 10

[Commentary by 'Monitor': "Security Policy Dilemma"; first paragraph is BERLINGSKE TIDENDE introduction]

[Text] If there should be a decisive choice between the United States and West Europe, we in Denmark are not well prepared. We lack both a factual debate on the problems and sufficient internal unity to make a well-considered decision. We must hope it never comes to that.

Recently there has been a lack of unity between the United States and West Europe in a number of areas. These include the action against Libya, consideration of production of chemical weapons, the threat to abandon SALT II and negotiations on European security. It is not just a matter of actual disagreement on several concrete points, but also about a new tone in the Atlantic cooperation. Both sides have become more impatient and less diplomatic toward each other.

The Reagan administration's new self-confidence and belief in its own potential, and its rejection of the 1970's policy of detente, the result of which was a strengthened Soviet Union, has brought about less sympathy for the Europeans' viewpoints. Even though the new line is emphasized by individual personalities, and even though there is certain opposition in the United States against moving so strongly forward, public opinion polls and press debates indicate a more basic swing in Reagan's direction.

In West Europe there has been criticism of the United States, both officially and in the public debate. But with the growing distance between European and American attitudes, a certain nervousness has spread through European government circles, and this has caused consideration of how Atlantic cooperation will go in the future.

Why have these problems arisen, how serious are they, and what do they mean for Denmark?

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First it must be emphasized that disagreement within NATO is far from being a new phenomenon. Even though it was the Europeans who, after World War II, invited the Americans to remain in Europe through fear of a possible Russian attack, there have been numerous examples of friction, first between the major European powers and the United States, and in the 1970's often from a European bloc formed for EC cooperation. These have involved concrete national interests, questions of prestige and who is to take responsibility for unpleasant decisions. They have also involved the overall strategy toward the Soviet Union.

Here the Europeans, as the most vulnerable, have been the most concerned, but interestingly enough they have been concerned regardless of what course the Americans have followed. An American arms buildup and confrontation with the

Russians has caused fear of tension and conflict. And American disarmament and detente policies have caused the Europeans to fear that their protection is being impaired and their protective power is being negotiated away over their heads. According to American opinion it is very difficult to make the Europeans happy, so why try.?

These problems have not grown less because of the new generation of politicians and officials who want to cooperate. But more important than that is the increased public interest in foreign policy making it more difficult to solve problems in peace and quiet.

Public interest in foreign policy is an old story in the United States, where it long ago led to politics and ideology in foreign policy questions. Europeans have often criticized American foreign policy for going to extremes and lacking flexibility, just because it put such great weight on public opinion and propaganda. Now the European foreign ministers have the same problems to fight against. And the foreign policy observers, who previously praised the Europeans for their cool attitudes toward foreign policy and looked down their noses at the American amateurs and their populist style, are now inclined to take American security policy arguments more seriously than the arguments that European politicians come forth with.

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Since the end of the 1940's the Atlantic cooperation has rested on very solid security policy interests, but it was largely sold to the people as the morally based unity of democratic countries. Therefore broad groups have become accustomed to the idea that there is no conflict between protecting interests and moral policy. It was thought that West Europe had attained the best of all worlds where there would be no sacrifice of free trade or free speech as the price of security. There were no unpleasant choices.

But when increasing dissatisfaction arises with the apparently immoral policies of the United States, and when the superpowers are placed in the same unattractive category it becomes still more difficult to discriminate, because there is now little understanding of the seriousness of the Russian threat, despite the significant Russian arms buildup and their policy of hostility toward their neighbors.

The dependent position of the Europeans is emphasized every time they disagree with the United States. Cool analysts may very well say that we must realize that Americans will do whatever suits them, but there are large parts of European opinion which are not prepared for this. It is difficult to sell pragmatism.

This has created a dilemma for West European politicians, and their reaction has wobbled between two viewpoints. One--which is most strongly represented by the English conservative government--maintains that the Europeans must extend themselves, also with symbolic gestures, to retain close cooperation with the United States. That viewpoint has also gained understanding in France, West Germany and Italy in the 1980's. The other viewpoint maintains that Europeans must continue increasing their distance from the United States

and put pressure on the American government--at the same time seeking cooperation with the internal American opposition. That is a viewpoint held especially by the Social Democratic Parties of Northern Europe--with significant backing from public opinion.

This does not bode well for the future, because with this division of viewpoints the present Atlantic conflicts are minimal. With other governments in England and Germany and some of the smaller allies one must expect much more violent collisions with the United States, and perhaps a development which in the longer term could lead to a breakdown of the alliance, despite the continued common security policy interests.

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What does this mean now for Denmark? According to several observers we are now in an especially difficult situation. On the one hand the Nordic countries are changing from being an area of low tension to being increasingly drawn into the big security picture. It is not the result of our own policies, but of developments in weapon technology and the extensive arms buildup which the Russians have staged on our Nordic boundaries. And that causes greater dependence and protection and weapons from the United States.

On the other hand there is a strong tendency for large groups of people to go for a nonprovocative play-dead policy which will bring about reduced possibilities for American help and fear. They are betting that the Russian buildup will not disturb the Nordic countries if we ourselves reduce our military capacity.

NATO membership is almost certainly still very popular, but polls indicate that the policies of NATO countries and especially the United States no longer are. Sooner or later it will be difficult to combine these two positions, not only for nationwide opinion but also for the Social Democrats, who have tried to stay in front of the changing attitudes.

This skepticism toward the United States has only partly led to increased effectiveness of European cooperation. For a number of years SDP and even SF were positive toward the EC, but that has been in the negative sense, as it was seen as a way to manifest a combined European criticism of the United States. On the other hand, proposals which could give the EC a more active security policy character and thereby greater independence from the United States were invariably rejected by the Social Democrats.

Thus it has become difficult for Danish Social Democrats to point to security policy solutions which are both factually strong and politically feasible in the light of the policies of other NATO countries. To get out of this dilemma the Social Democrats have temporarily put their trust in what can be called "the opposition parties' internationale." Cooperation with such parties about an alternative course can perhaps erect barriers to a weak government's negotiating possibilities, but it will not advance a positive line, and it will not necessarily hold when and if the opposition parties come to power. Uncertainty will thus be greater.

The nonsocialist parties in Denmark are also in a dilemma. They are now getting used to the unpleasant situation whereby the government must conduct a foreign policy which is partly marked by the NATO skepticism of the Social Democrats. But if the split between West Europe and the United States becomes deeper, they will confront the still greater problem of whether to gamble on Atlantic or European security policy cooperation. It is a difficult foreign policy choice, but it creates internal problems also, because the pro-NATO opinion will divide itself into two equally large groups and thereby will lose its strength, while neutralism gains as a simple and clear alternative.

Denmark's possibilities for influencing relations between the United States and West Europe are naturally very limited. One can hardly say that we have done much to build bridges. On the contrary, we have tried to increase the distance by being among the most skeptical and foot-dragging Europeans. Neither have we done anything to invest in a European solution to our security problems. On the contrary, we have showed so little interest and have such a shady reputation that it is perhaps doubtful if we would be invited to participate if a European alternative should arise.

If a decisive choice between the United States and West Europe comes, we in Denmark will be poorly prepared. We lack both a factual debate about the problems and sufficient internal unity to make a well-considered decision. We must hope that it does not come to that.

9287

CSO: 3613/161

MILITARY

DENMARK/GREENLAND

MINISTER: THULE BASE AREA EXPECTED TO BE HALVED

Copenhagen BERLINGSKE TIDENDE in Danish 15 Jun 86 p 8

[Article by RB: "Diminishing of Thule Base Area by One Half Expected To Be Approved"]

[Text] Minister of Greenland Affairs Tom Hoyem (Center Democrat) expects that the plans to shrink the area of Thule Base from from 1400 square kilometers to 600 square kilometers will be approved "very soon."

The plans were worked out by the Ministry of Greenland Affairs and government authorities on the base working together, and were agreed to by American authorities.

This was included in Tom Hoyem's report on the nine-point program which the minister presented in September last year for the purpose of improving relations between the local population and Thule Base.

At the same time the program is a kind of compensation to the local population which was not compensated for the 26 fishermen's families which were moved about 100 kilometers to the north to make room for establishment of the base. The demand for compensation was rejected by the government.

Tom Hoyem's report also states that there are now two Greenlanders employed on the base--one pipefitter and one electrician. Employment of local manpower is another of the nine points.

Friday the minister dedicated a guesthouse with space for 14 transit passengers on the base, and on 1 July a bilingual associate was added to the administration. That was also promised in the program.

The program will also give permission for limited fox hunting on the base, the base store will expand its stock of local handicraft items, negotiations have begun for expanded tourism, Peter Freuchen's house is being moved to Qaanaaq (Thule) and arranged as a museum with the assistance of the ministry, and during the period 1986-89 it is planned to build 46 dwellings in the municipality, according to Tom Hoyem's report.

9287

CSO:3613/161

MILITARY

FINLAND

FOURTH MISSILE PATROL BOAT CHRISTENED 'KOTKA'

Helsinki HELSINGIN SANOMAT in Finnish 17 Jun 86 p 7

[Article: "Newest Missile Patrol Boat Christened Kotka"]

[Text] The navy received its fourth Helsinki-class missile patrol boat on Monday. The vessel was named Kotka.

Built in Wartsila's Helsinki shipyard, the missile patrol boat is the last unit in a series of four ships whose prototype was completed in Helsinki in 1981. Last year the navy accepted the serially manufactured vessels Turku and Oulu.

The ships are docked at the Turku naval station for the time being.

Helsinki, Turku, Oulu, and Kotka are the vessels' sponsor cities.

Kotka is about 45 meters long and 9 meters wide. Its speed is over 30 knots.

Kotka is designed to function in combat and on patrol assignments on the high seas.

It is equipped with one general cannon, two antiaircraft guns, an electronic battle-guidance system, and eight sea-target missiles.

The crew consists of about 20 permanent men and 10 conscripts.

The missile patrol boat was christened by Mrs Annikki Hiltunen. It was relinquished by Wartsila shipyard director Martin Saarikangas and accepted by naval commander Rear Admiral Juha Tikka.

General Jaakko Valtanen was also present on the occasion.

12327
CSO: 3617/130

MILITARY

FRANCE

ADVANTAGES, DRAWBACKS OF NUCLEAR SUBMARINE REVIEWED

Paris LE MONDE in French 14 Jun 86 p 24

[Article by Jacques Isnard; first paragraph is LE MONDE introduction]

[Excerpts] For the first time in the history of our submarine forces, here is a submarine that can travel faster submerged than the surface vessel it is chasing. It is an attacker that charges at the enemy alone or in a pack.

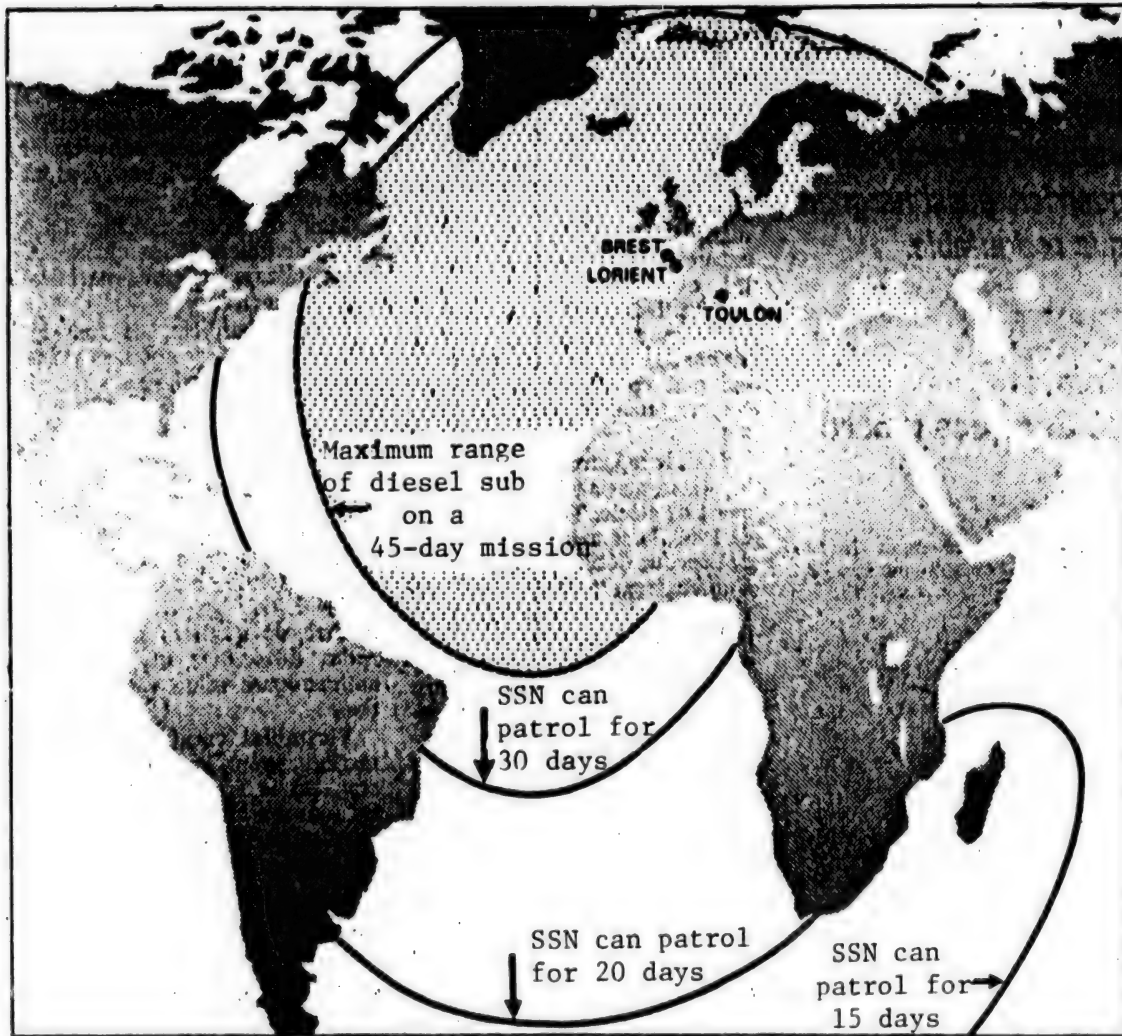
Among themselves, they call it "the animal," as though it were a household pet to which one had become attached.

The "animal" in question is the "Saphir," the second nuclear-powered attack submarine (SSN) to enter service with the French Navy. Like its elder brother the "Rubis," which has been cruising the oceans for almost 3.5 years, the "Saphir" has Toulon as its home port: since July 1984, it has been part of the panoply available to Admiral Cagliardi, the government's commander in chief of Mediterranean operations—a panoply that he calls his "toolbox" to illustrate the fact that it consists of numerous multi-purpose implements.

On board the "Saphir," there is nothing comparable to a diesel-electric submarine. The SSN does not have the same stifling, noisy, and monotonous closed-in atmosphere. No more "hot beds"—those bunks that had to be shared. There is almost as much fresh water as one could want, and the washing and toilet facilities are comfortable. There is a baker and even a pastry cook, along with cold storage rooms and enough packaged food to enable the submarine to remain submerged for 60 days at a stretch.

Unlike nuclear-powered ballistic missile submarines [SSBN's] of the "Redoutable" type, which move with the majestic slowness of a pachyderm, the SSN is a hunter. Traveling at 25 knots submerged and at 15 knots on the surface (the equivalents respectively of 47 and 28 kilometers per hour), the SSN moves through the water like a fish at a secure depth of 300 meters. For the first time in the history of the submarine forces, here is a submarine that can travel faster submerged than the surface vessel it is chasing. Also for the first time, it is, moreover, an autonomous submarine that does not need to surface at regular intervals to take a big gulp of fresh air and regain its strength at the risk of betraying its presence.

Operating Range and Capability



"This is not the drifting mine of yesteryear," says Captain Foillard, who commands the submarine squadron in the Mediterranean and who knows what he is talking about, since he was the first commander of the first SSN, the "Rubis," and was in charge of its final adjustments. "It's an attacker. It's a hunting dog that does not lie in wait, as diesel submarines used to do, but charges the enemy alone or in a pack. This was very obvious off the Falkland Islands in 1982, when the British submarine 'Conqueror,' following orders, sank the Argentine cruiser 'Belgrano' and thus cleared the ocean completely of a hostile naval presence."

With its SM-39 antiship missiles, its antisubmarine torpedoes, and its very low frequency listening sonars enabling it to hear a vessel within a radius of about 100 kilometers, the SSN is a fierce and hardy dog.

Captain Lagane says: "It was pictured at first as the attacker par excellence of anything moving on the surface of the water. But as time passed, and especially as a result of our own experience, it was also found to be the main threat to SSBN's and other SSN's around the world." One would think that the French submarine men had to learn everything on their own, without being able to use the know-how already acquired by the Americans, and that they were surprised--agreeably, from their point of view--by the performance or quality achieved in their new SSN's.

From Cape Horn to Madagascar

The SSN is a pawn that wanders over the world's chessboard in complete freedom--something never seen before, according to submariners so unaccustomed to such mobility in its diesel-powered predecessors. They recall last year's odyssey by the "Rubis," which disappeared off Toulon one day and, after remaining submerged for a month, surfaced off Noumea. That gift of ubiquity permits every kind of bold behavior--every kind of political "gesticulation," which is the word sailors like to use when referring to those naval "displays of strength" that are intended to make an impression in times of crisis.

The submarine is thought to be here, but it is already there. It is thought to be there, but it is still here--circling in the water as it waits for the prey it is following or tailing closely or before which it is capering before dealing the final blow. Just one example: with its endurance of 60 days, the "Saphir" can patrol from Cape Horn to Madagascar for about 20 days, going there and returning at a speed of about 15 knots.

With their eyes riveted on consoles or the ship's instruments in an operations center as clean as a hospital, crewmembers are alert for the slightest sound. The "musicians" wearing headsets have learned to recognize danger by sound even before the frequency analyzers confirm their interpretation of the sounds picked up. The ocean is not the world of silence it is so smugly said to be. Quite the contrary. The SSN is blind but not deaf, and very often it hears an approaching threat before being itself detected.

But despite its good points, the "Saphir," like its twin brothers, is not yet an instrument that responds instantly and with complete discretion to the high command's wishes. Although not mute, it has no gift for speech. It lacks the ability to converse uninterruptedly with its "principals." To do that, it would have to have the gadgets available on American SSN's--the onboard equipment that serves to relay satellite transmissions and provides permanent space communications between the submarine and its headquarters on land. Thanks to that space network, the commander of an SSN never loses contact with his government, which thereby keeps a tight rein on him, as occurred with the "Conqueror," which was literally kept in check in the Falklands by the British prime minister in London, who was using U.S. satellites leased for the occasion. France will have to arm itself with patience until it reaches that point--in 6 or 7 years perhaps, when the French Syracuse-2 system will go into operation at a cost of 8 billion francs.

Mediterranean "Club"

The French Navy is envied by its European allies on the Mediterranean and taken seriously by the Americans, whose formidable 6th Fleet is deployed in this part of the world. If we are to believe Adm Gagliardi, maritime prefect of Toulon and Mediterranean commander in chief, our Navy owes that state of grace to its double decision to deploy its aircraft carriers and its SSN's in the Mediterranean Basin.

He explains: "That brought France immediately into the very exclusive club of countries whose navies are capable of deploying real aircraft carriers with steam catapults as well as nuclear-powered attack submarines which, unlike their diesel-powered ancestors, are not simply mechanical mice used as targets in the training of surface navies. And that very exclusive club currently includes only two powers: the United States and France."

The implication is that neither Great Britain nor the Soviet Union belongs to that club because neither one has real aircraft carriers but only platforms or cruisers with flight decks capable of accepting helicopters or VTOL aircraft.

Adm Gagliardi knows the Mediterranean like the back of his hand, since he has been crisscrossing it for 40 years. He says: "For thousands of years, something has always been happening there every moment—it's just like the Galeries Lafayette Department Store. There is barbed wire in Europe (an allusion to the fact that nuclear deterrence has frozen positions in Europe by discouraging any hint of aggression on either side of the Elbe River), but there is none in the Mediterranean, where East and West and North and South are interwoven in the danger of economic, military, religious, demographic, or other confrontations, like so many casus belli."

A trade route, a stake in the game of influence, and a site for maneuvers—the Mediterranean is all those things at the same time. It is a place where navies challenge each other and where, sometimes, cannon roar. Adm Gagliardi noted: "At the time of the latest confrontation between the United States and Libya, U.S. vessels in the Mediterranean totaled as much as 700,000 tons, with the 6th Fleet acting as the spearhead around its three aircraft carriers."

That is more or less twice the total tonnage of the French Navy and five times that of the French fleet in the Mediterranean.

To prevent the situation from degenerating into paroxysms of uncontrollable violence and keep tension below a certain level, Adm Gagliardi describes himself as a "patcher-upper who smooths over crises." Using a "toolbox" made up of all his warships and permitting him to see trouble coming, he would give the president of the republic and the government additional time in which to consider the situation: time in which to evaluate the threat, size up the crisis, and, if necessary, begin hostilities if it is unable to prevent them or limit them to simple saber rattling. He also says: "To carry out that task, the tool in question, of which I am the guardian and which has cost the taxpayers a great deal, must be kept in good shape—as sharp as possible."

From that standpoint, and along with the aircraft carrier, of course, the SSN is one of the most suitable tools for the purpose. Fast and discreet, it is omnipresent, with one foot in the sea and the other in the ocean. One day the SSN is working with the "gondoliers," as the crews in the Mediterranean Fleet are nicknamed, and the next day, that same SSN will be with the "wolves," which is the nickname given to the crews in the Atlantic Fleet.

The only catch is that the day will come when those gymnastics by the SSN will be impossible despite all efforts and when the general staff will have to play it tight in order to hold the line.

From that point of view, the coming months are going to be extremely difficult. The first SSN in the series--the "Rubis"--is scheduled for refitting in the near future, and for the next 15 months, the second in the series--the "Saphir"--will be the only French SSN in service pending the arrival of the third (the "Casabianca"), which is currently undergoing trials. So it will be the only pawn for use in two possible theaters of operations. The duration of patrols can be increased, and more can be demanded of the two crews--the "red" and the "blue," which take turns manning each submarine for 250 days at sea per year in order to get maximum use out of it--but the time will come when management acrobatics will have done all it can. "That will be the limit," say all the sailors, who are hoping for a total of no fewer than seven or eight SSN's so as to be able to line up three in a squadron's operational cycle while the others are down for overhaul or refitting.

11798

CSO: 3519/211

MILITARY

ITALY

PICCIONI SAYS NAVAL AVIATION ALMOST CERTAIN

Rome IL MESSAGGERO in Italian 11 Jun 86 p 18

[Text] Parliament will vote shortly on the government's bill providing for the establishment of Naval Aviation, and there are well-founded hopes that its decision will be favorable. Admiral Giasone Piccione said as much yesterday at ceremonies at Lanta delle Rovere naval barracks to mark the anniversary of the Navy's sinking the Austrian battleship Santo Stefano 66 years ago at Premudad, thanks to Luigi Rizzo's torpedo-boats ("mas").

After placing a wreath of laurel at the grave of the unknown soldier, the Chief of the General Staff presided over the austere military rites. He then read aloud some congratulatory messages from the President (Frigate Cdr Grancesco Cossia), and from Defense Minister Giovanni Spadolini. Turning to address the ranks of petty officers and seamen, he cited the Navy's onerous and delicate Navy mission of recent months in defense of the nation's southern front, going on to express his pleasure at the now imminent entry into fleet of what he called the most beautiful and prestigious unit in the entire fleet: its future flagship, the aircraft-carrying cruiser Giuseppe Garibaldi.

This year's celebration of the 10 June commemoration is certainly a most memorable one, for the reasons Adm Piccioni cited. For the first time since the end of the last world war, during the Libyan crisis, the ships of our fleet sailed in full battle array, their crews' fingers on the trigger, to maintain security on the sea and to defend Italian territory. And the Navy was ready and able to perform its mission, despite the limited means at its disposal.

That well-founded hope of being allowed very soon to bring aboard the Garibaldi's generous deck the longed-for short vertical takeoff and landing (V/STOL) aircraft would realize a dream our Navy men have cherished ever since 1923, when the Balbo Act abolished Naval Aviation after the Air Force was constituted and vested with sole control over "anything that flies and has stars on it."

6182

CS0: 3528/171

MILITARY

SPAIN

DEFENSE MINISTRY PLANS ANTIAIRCRAFT MISSILES PURCHASE

Madrid CAMBIO 16 in Spanish 16 Jun 86 p 63

[Text] NATO has been putting pressure on Spain to improve its antiaircraft defenses. The government has already invested over 50 billion pesetas, and it is going to provide soldiers with portable missiles.

In 2 years a Spanish soldier, crouched on the ground, will be able to shoot down by himself a military enemy aircraft approaching at an altitude under 3,000 meters.

This will become possible with the defense ministry's purchase of 500 portable missiles weighing barely 30 kilos each, which can be operated by one or two soldiers. These missiles will be distributed throughout the Mediterranean Coast area, Andalusia, and the Canaries, zones which military strategists consider the most vulnerable to an enemy attack.

With the purchase of these portable missiles and with the contracts that have already been signed for the purchase of low-altitude Roland antiaircraft missiles mounted on combat tanks and the Aspide strategic point defense missiles, the Spanish government believes that within 3 years Spain will have an adequate defense system capable of repulsing an enemy attack coming in at a low altitude.

Right now Spain has the worst antiaircraft defense system in NATO. Its defenses are so bad that the allies have put pressure on Spain's government to invest in this field in order to effectively strengthen the southern flank of the Alliance.

The recent threats by Libya's Col Mu'ammarr al-Qadhdhafi to attack Spanish targets, following the U.S. bombing of Tripoli and Benghazi, reminded a number of armed forces strategists that the weakest point in our defense system is our antiaircraft defenses, the only flank through which Libyan aviation could try to attack Spain.

Nonetheless, this will not be remedied for 2 more years. By 1988 the government should have received all the Roland and Aspide missiles it has ordered--in all, about 1,000 units, costing approximately 50 billion pesetas.

Also by that year, through commitments the socialist government obtained from the manufacturers of these missiles, Spain plans to be able to manufacture its own missile systems.

"Now," said a high-level defense official, "we are in last place in Europe in antiaircraft defense and in terms of our capability for producing missiles, but in a few years we will be on the same level with Germany, Great Britain, and France."

At the present time the ministry of defense is evaluating four models of portable missiles; only one of them will be selected for use by Spain's armed forces. These missiles, whose purchase program amounts to 10 billion pesetas, are: the Javelin, the Mistral, the RBS-70, and the Stinger,

The Javelin is manufactured by the British firm, Short Brothers. It is only 1.4 meters long. It is a supersonic missile with a range of about 4 kilometers. The missile weighs 14 kilos; when it is fired, a tripod weighing about 16 kilos must be used.

The Mistral portable missile is made by the French firm, Matra. Matra had an exhibit on the potential of this weapon system at the aerospace fair held 2 months ago in Gerona, Spain; Cosmos-86.

It reaches high speeds, 2.6 times the speed of sound. One of its principal assets is that it can be reloaded in 30 seconds.

The RBS-70 missile is of Swedish manufacture, made by Bosford. It has a laser guidance system which makes it highly operational in poor weather conditions.

The last of this group of four possible missiles, the Stinger, is made in the United States. It has a complex and highly effective friend-or-foe identification system. It can be piggybacked on the launcher Spain purchased for its Roland missiles.

The use of portable missiles is considered basic for any army trying to cover effectively the full range of antiaircraft defenses. This type of missile is used to fill in gaps which, because of natural terrain features, are left uncovered by other types of defense systems.

At present, Spain has only Hawk and Nike missiles for antiaircraft defenses against planes flying at over 5,000 meters (medium and high altitudes). These missiles are now quite obsolete and inefficient. For that reason, the purchase of the Roland and Aspide portable missiles was considered essential to counter a low-level air attack.

The defense ministry is also evaluating the Exocet, used in the Falklands; the Penguin missile, which is used against ships; and the antitank missiles, Hot and Tow. It will take part in the manufacture of the European third-generation antitank missile, Trigat. Spain is now entering the missile era.

MILITARY

SWEDEN

COASTAL ARTILLERY TAKES DELIVERY OF NEW ANTISHIP GUN

Stockholm DAGENS NYHETER in Swedish 12 Jun 86 p 18

[Article by Anders Bohman: "'Karin' Guarding Coast"]

[Text] "KARIN is fire-ready!"

This was the proclamation of Lieutenant Commander Sten Munk of Rosenschiold, called "Munken," with KA2 in Karlskrona during a premier showing of the Coastal Artillery's new gun at the beautiful Ravlunda artillery range in the spring, located in Osterlen on the coast of Skane.

The proclamation was not a male chauvinist provocation. KARIN stands for KA (Coastal Artillery) RIN (Mobile Invasion Defense), a new 12-cm Bofors gun, which after 11 years of development is ready to become an integral part of the war organization.

Vice Admiral Bengt Schuback will receive the new gun in Karlskrona on Saturday. DAGENS NYHETER attended the premier showing at Ravlunda artillery range. The cost of the system was 290 million kronor in 1978, which corresponds to approximately one half billion kronor today.

Is it meaningful to invest in costly guns and artillery systems when modern wars are fought with guided missiles?

"Yes, absolutely. Guns are needed to counter an invasion along the Swedish coast, and this threat does exist in the Baltic," said Lieutenant Commander Hultgren with the KA2 regiment.

There was intense debate at times during the seventies as to whether the Coastal Artillery should focus on the development of a new artillery system or on missiles exclusively. In 1975 it was decided to develop an artillery system and, according to a government defense resolution in 1977, Bofors was directed to come

up with a prototype. The prototype was built between 1977 and 1979, followed by 5 years of testing and further development. Three battalions will be outfitted with the new 12-cm KA battery m/80, which will be ready by the end of the eighties.

The Coastal Artillery battalion m/80 will replace older units with an almost 50-year old gun--the m/37, a 15.2-cm gun.

High precision, automatic, mobile and great firing power are some of the attributes of this new 12-cm gun. The design is based on the Bofors howitzer 77 concept, one of the world's most modern field artilleries.

The gun will fire on enemy vessels trying to land on the Swedish coast. The basic ammunition consists of highly explosive ocean-targeted shells, designed to explode inside a vessel to inflict the greatest possible damage. Highly explosive shells will be used to fire on landing vessels and land-based objects. The range is 20 km, and with a certain type of ammunition 30 km.

Rapid regrouping is important to a modern artillery. When the first shot is fired, the gun's position is revealed, making it vulnerable from the air. Therefore, it is important to fire quickly and precisely and then move on to a new position.

A 12/80 unit fires for about 15 minutes and then quickly regroups to a new position. With a firing speed of 16 shells per minute, this gun can inflict a great deal of damage. The battery's monitoring station can provide data on 32 ocean targets in succession, and the gun fires automatically.

"Each target is showered by a number of shells--then we move on to the next target. We can confirm the number of hits," said Battalion Commander Sten Munk of Rosenschild.

The Coastal Artillery is talking about a regrouping period of 5 to 7 minutes by 1990 to avoid enemy fire.

STRIKA, a new military cable system, prevents the unit's detection by radar or radio waves.

The new KA battery m/80 consists of about 300 men and four 12-cm mobile guns. The unit can move 30 miles in 24 hours to reinforce the nation's defense against invasion anywhere along the coast. An air defense squad with two 40-mm automatic field guns provides protection against air attacks.

The monitoring platoon comprises three monitoring devices, including close-range radar, that watch the ocean area in question.



Photo caption:

The Coastal Artillery's new gun Karin is ready for action after 11 years of development. Karin is said to be capable of firing 16 shells a minute at vessels trying to invade Sweden.

8952
CSO: 3650/241

MILITARY

TURKEY

FOREIGN FIRMS COMPETE FOR DEFENSE INDUSTRY CONTRACTS

Istanbul DUNYA in Turkish 14 May 86 p 9

[Text] Ankara—It has been disclosed that 26 foreign firms wishing to invest in Turkey's defense industry with the purpose of meeting the long-term needs of the Turkish Armed Forces have submitted their preliminary proposals to the Fund for the Development of the Defense Industry.

The firms, mostly from Britain, the FRG and the United States, want to invest in highly diverse areas of the Turkish defense industry.

The said firms are interested in various defense-related industrial projects including the manufacture of missiles, electronic radars, tanks, helicopters and transport planes. The leading firms and the projects in which they have expressed interest are:

- 1) Royal Ordnance (Britain): Armored personnel carriers, land-based missiles and various ordnance materials;
- 2) British Aerospace (Britain): Joint production of Rapier missiles;
- 3) General Electric-Marconi (Britain): Electronic radars, communication systems and Tigerfish torpedoes;
- 4) GHK (Britain): Tanks and various armored vehicles;
- 5) Plassey (Britain): Radars;
- 6) Westland (Britain): Helicopters;
- 7) Vickers (Britain): 105-mm artillery and tanks;
- 8) Thyessen Marschel (FRG): Marder armored battle vehicles;
- 9) Kraus Maffei (FRG): Armored personnel carriers;
- 10) M.A.N. (FRG): Military vehicles;
- 11) AEG (FRG): Surface and underwater torpedoes;

- 12) Westinghouse (United States): Radars and other electronic gear for F-16 warplanes and ground radars with ranges of 200 to 300 miles;
- 13) Ford Aerospace (United States): Chaparral anti-aircraft missiles;
- 14) Cadillac Gage (United States): Armored military vehicles with wheels and tracks;
- 15) Thompson-CSF (France): Tactical warfare equipment;
- 16) Panhart (France): Armored military vehicles with tires;
- 17) Fiat (Italy): Various military vehicles with tires;
- 18) Alitalia (Italy): Military transport planes;
- 19) Oerlikon (Switzerland): 20 to 35-mm anti-aircraft guns (this investment is currently under way with MKE [Machine and Chemical Industry Establishment]);
- 20) Steyr (Austria): Armored vehicles;
- 21) Casa (Spain): Military transport planes in collaboration with Indonesia.

Seven Separate Investment Areas

According to a decision taken by the Supreme Council of Economic Affairs, foreign firms will be able to invest in seven separate specialty areas in Turkey. These areas, in which the Turkish firms can also participate, have been determined as: communication systems; radars of various types and characteristics; electronic low-level defense systems (optical industry); surface-to-air and air-to-surface missiles of various types; automation of military industry; and armored vehicles, tanks and artillery.

9588

CSO: 3554/86

ECONOMIC

EUROPEAN AFFAIRS

EUROPEAN COMMISSION HEAD ON ECONOMIC POLICY, PROBLEMS

Paris LE NOUVEL ECONOMISTE in French 20 Jun 86 pp 58-60

[Interview with Jacques Delors, president of the European Commission, conducted by Jean-Pierre Sereni, in late July, place not given]

[Text] When Europe is not going through crises, everybody all but forgets its existence. And yet, the Community has foregone the ritual summer break: the issues before it are too urgent: a common agricultural policy, its budget, the trade wars with the United States, foundations for structures yet to be designed... the Twelve are navigating by line of sight, looking down at the problems they must solve. On the eve of the European Summit, late this month, Commission President Jacques Delors told NOUVEL ECONOMISTE about the new set of guidelines for the process of building a united Europe.

NOUVEL ECONOMIST : After a very busy year in 1985, which included admission of Spain and Portugal, which had been under discussion for 10 years, one gets the feeling that it's time to take a break. Does Europe have a master plan yet?

JACQUES DELORS: Yes. The big job we face right now is one that must be done by 31 December 1992: it entails designing and emplacement of an internal European market, by which we mean a space without interior borders in which the free circulation of goods and people, of services and of capital, will be insured. The process is already under way, and it will never stop again. You have to keep telling yourself that the issue of the greater European market will perforce become the intellectual and practical framework for the decision-makers. This is already in effect, or as nearly so as no matter, for the member states and for the major enterprises. Awareness of it has been slower to dawn among the more tightly regulated professions. Its reception by the general public, however, is far more promising; the greater market will be a popular topic for discussion. Look at the interest evoked by the Commission's recent program, calling for "freedom of movement for capital within the Community," or the adoption of a European standard for high-resolution television.

NOUVEL ECONOMISTE: Will the prospect of having a free trade zone 7 years from now suffice to get Europe off to a fresh start?

JACQUES DELORS: The prospect is infinitely more vast than that. At the end of last year, we saw a genuine reform in European institutions when the Twelve passed the One Europe Act, in so doing profoundly revised the Treaty of Rome, which had stood for 30 years as the bedrock foundation upon which Europe would be built. Its aim is threefold: to improve the way the Community works, to help it make "better" decisions and operate more efficaciously and, in a treaty signed by all 12 member countries, to set forth the objectives for this fresh European start—and do it all at once.

NOUVEL ECONOMISTE: In essence, isn't the one great goal the European Market?

JACQUES DELORS: Yes it is: the barrier-free market by 1992 as embodied in the One Europe Act is the grand mobilizing theme, but it is not the only one. The text lists four more goals: enhancing economic and social cohesion among the members, expanding research and technology to close the gap between us and the United States and Japan, and broadening monetary cooperation...

NOUVEL ECONOMISTE: When can we expect to see the British pound in the European Monetary System?

JACQUES DELORS: Apart from the Labor opposition, the political leaders, one after another, the financiers and the industrialists across the Channel have rallied behind this idea, the latest-coming among them the Chancellor of the Exchequer, Nigel Lawson. It is up to Margaret Thatcher now, and she will announce her decision at a time of her own choosing.

NOUVEL ECONOMISTE: Is the European Labor space included in all this?

JACQUES DELORS: Make no mistake about it: the barrier-free market will be neither accepted nor built unless it is accompanied by greater effectiveness, healthier equilibria among regions, and social justice. The fact that a number of principles are inscribed in a new treaty endows them with new political and juridical power. These are not merely goals the chairman of the Commission has in mind: they constitute a political and juridical obligation, and are thereby rendered more "binding."

NOUVEL ECONOMISTE: In practical terms, how close are we to implementation of these great principles?

JACQUES DELORS: We are currently moving steadily and even-handedly on three of them: the greater market, cohesion among the Twelve, and labor policy. I should like to emphasize particularly the social dimension of the European fresh start. During the 50's and 60's, we witnessed, in a great many European countries, a broad policy of dialogue between the social partners. That, in fact, was one of the trump cards for Europe, and one of the wellsprings of its energy. During the 70's, however, we somehow got out of that habit. The emergence of long-term massive unemployment altered the balance of power to the detriment of organized labor. Today, though, I am trying to restore that social dialogue, and I plan to start with the new European—a notion that may seem daring and even unrealistic.

NOUVEL ECONOMISTE: What else?

JACQUES DELORS: We have managed to single out four topics for reflection, to wit: in addition to macroeconomic policy (including ways to bring about stronger growth that will generate more jobs), introducing new technologies into enterprise, better training for workers, improving the efficiency of the labor market and providing more flexibility in working hours... The very fact that European CEOs, including those who run the biggest corporations, have agreed to resume dialogue with the unions shows that they know full well that a degree of deregulation and enhanced profitability will not suffice to bring back the radiant vitality Europe enjoyed 20 years ago. They have done some thinking about Japan's success. They may of course choose to take full advantage of the balance of power while it is still in their favor. But the penalty in the long run will be ineluctable, ranging from loss of motivation to wildcat strikes to a resurgence of chronic absenteeism. Euroclerosis needs no miraculous, unique, fashionable remedy, no "Deregulate! Deregulate," as they keep exhorting us in the TV commercials to "Eliminate! Eliminate!" This is a societal challenge whose solution lies in an effort at mutual enrichment through resumption of the social dialogue. The member states are all in agreement with this approach, and support it.

NOUVEL ECONOMISTE: So the European employers/unions duet is going to turn into a trio?

JACQUES DELORS: In its attempts to get the social dialogue going again at the European level, the Commission enjoys a certain degree of credibility with both the social partners. My intention is not to erect huge doctrinal or diplomatic panoramas, but to work for the "improvement of the work place" called for in the One Europe Act. That concerns working conditions, a voice in management decisions, cleanliness and safety, wages, training... Actually, it is a general policy. To recover economic growth and social progress, Europe needs more political and social cohesion. That can come about through better social dialogue...

NOUVEL ECONOMISTE: The Japanese and American challenge is at least as much technological as social. In that area, what can the Community do?

JACQUES DELORS: First of all, we need to be acutely concerned with being helpful to our enterprises. The world is changing and new technologies have infiltrated every process in manufacturing. A new way of producing is taking hold, and competition comes from every direction. In this very unstable context, we must send our entrepreneurs a clear signal. Right now, a company interested in multi-purpose technology has several possibilities for acquiring it: he can go to the market (buying patents or licences), turn to his government (for a line of credit or a government subsidy), join an international cooperation program such as Ariane or Airbus, or a Community program such as Esprit (electronics) or Race (telecommunications).

NOUVEL ECONOMISTE: There is Eureka, too, which includes 18 European countries interested in new technologies, and whose 16 research projects often overlap with Community undertakings. So how do you go about clarifying the relationships between Eureka and, say, Esprit?

JACQUES DELORS: You have to draw a border that is clear and readily visible to our enterprises. In my view, Eureka should pick research projects that are closest to the market. The companies get together and agree among themselves and then, under conditions to be determined (financing, tax status...) they could receive permission to use the Eureka label. Community programs, on the contrary, should theoretically stick to basic research, by which I mean research projects that are still furthest from the market, as is the case with Esprit. If we adopt this distinction, European companies with a common research program would know whom to turn to.

NOUVEL ECONOMISTE: Can the Community afford such a policy?

JACQUES DELORS: We could help to lay the financial foundations indispensable to technological Europe. The Commission plans to develop a financial engineering division at the Community level, come out with new formulas and foster financial innovation to help make Eureka a success. For example, with the Eurotech Capital project, designed to facilitate joint ventures among small and medium European industries (PMIs) interested in high technology. Another route is Nic Innovation, which would enable us to amass European venture capital...

NOUVEL ECONOMISTE: After spending 18 months in Brussels, how do you assess your performance as chairman of the Commission?

JACQUES DELORS: I was merely "primus inter pares," one of seven Commission members from the twelve member states. I must rule by the force of my personality, by my proposals, and by making myself useful. I must persuade and cajole, because the Commission is not a government whose head always has the power to dismiss a minister. Besides, I can do on one side and undo on the other. By that I mean that the common Agriculture Policy must be defended in its basic principles, even though it must be profoundly altered as a function of the technological and international givens.

NOUVEL ECONOMISTE: Didn't the One Europe Act increase your powers, even so?

JACQUES DELORS: Actually, the One Europe Act strengthened the entire Commission's capacity to act by enabling it to issue "stays of application" on Council decisions. That is already beginning to be standard procedure. It is the sine qua non of efficacy. You find it again in the very grave matter of the trade quarrel between Europe and the United States. The Council decided to reply to the intimidation measures taken by Washington with measures of equal intensity: no more, no less. It was not Europe that triggered the hostilities. But at least let the members be explicit, make up their minds, and let the Commission get on with its work, which is the ways and means of action. However, I do not wish to dramatize this business any further. It is simply an illustration of Community life and of its complexity. The Commission, as guardian of the European interest, has the right to initiate and the right to execute, and it also has the right to engender and incite to action.

NOUVEL ECONOMISTE: How well will this grand instigator role play in the field of finance?

JACQUES DELORS: The Commission proposed freeing movement of capital in two phases: first, and in addition to what there already is, freeing short-term credits involving commercial operations in goods and services, freeing trading in stocks of unlisted companies, allowing sales of such shares on another national market. Next, in the second phase, freeing money-market transactions and the freedom to make deposits in cash anywhere in the community... Inevitably, in the long run this is going to require some rearrangements in national banking regulations and some accommodation among insurance regulations. Protection for savers and depositors must be taken into account on the European scale. Similarly, creating this huge European financial space will require harmonization of taxes on savings and enhanced monetary cooperation. Taken all together, and mindful of the fact that the habit of saving is far more deeply entrenched in Europe than in the United States, this will provide a tremendous boost to the internal market, spur economic growth that can create more jobs, and hasten the advent of the ECU as the international reserve currency.

ECONOMIC

CYPRUS

AGREEMENT SIGNED FOR WEARING APPAREL EXPORTS TO LIBYA

[Nicosia I SIMERINI in Greek 4 Jun 86 p 1]

[Text] Agreements have been signed for the export of \$20 million worth of wear apparel clothing from Cyprus to Libya.

It is expected that other orders totaling \$20-30 million in value, will be made in the next 2 months. This newspaper was so informed by Mr Kokos Themistokleous, president of the League of Clothing Exporters, who led the trade mission that visited Libya recently. As Mr Themistokleous mentioned, more clothing is expected to be exported to Libya this year (than in other years). These exports should exceed \$40 million in value, which is about the average of Cypriot exports to that country. He also said that the new orders have been made with the provision that 80 percent of the value of the products will be paid to the Cypriot exporter when they are loaded, while the remaining 20 percent will be paid within 3 months, on the understanding that the commodities will be shipped regularly.

Furthermore, Mr Themistokleous mentioned that on 20 June Libya will begin paying its old debts to Cypriot exporters. It is estimated that these debts amount to \$18-20 million. He emphasized that toward this end, the minister of finance has already sent a letter to the Central Bank directing it to notify the Commercial Banks to begin payments on 20 June to Cypriot exporters of clothing to Libya.

Finally, Mr Themistokleous said that Cypriot exporters face no special problems in the Libyan market, even though Libya, like all other countries, tries to obtain Cypriot products at prices lower than those offered.

12570/8918
CSO: 3521/174

ECONOMIC

DENMARK

SDP, COALITION PARTY URGE ACTION TO STEM CONSUMPTION WAVE

SDP Urges Intervention

Copenhagen AKTUELT in Danish 4 Jun 86 pp 6-7

[Article by Bjarne Kjaer: "Government Taking Vacation From Problems"]

[Text] Copenhagen--New steps to curb consumption are on the way unless there is a change in Denmark's abysmally poor foreign trade figures during the summer.

The government has refused to call an extra session of Folketing during the summer recess and dismissed the Social Democratic demand for immediate action to curb the issuing of consumer loans by banks and savings institutions.

Both Prime Minister Poul Schluter (Conservative) and Economic Minister Anders Andersen (Liberal) are trying to play down the catastrophic development revealed by the publication of trade figures showing a record deficit of close to 3 billion kroner for April. They still believe the figures will improve during the summer and they intend to keep in close touch with the National Bank with regard to developments.

"The government will not face the truth. It is taking a summer vacation from the problems," said SDP political spokesman Svend Auken.

In the first 4 months of the year the deficit was 2.5 billion kroner more than it was in the same period last year. This means a total balance of payments deficit of 11 billion kroner after 4 months. This occurred in spite of the fact that the decline in oil prices and the exchange rate of the dollar produced an improvement of 5-6 billion kroner.

"We urge the government to start talks with the National Bank concerning steps to curb the ability of financial institutions to grant consumer loans," Auken said.

He regards the situation as very serious. Interest rates are rising, the trade deficit is growing and we are seeing an outflow of capital to other countries. Apparently the government exhausted its imaginative resources

with the "Easter package," Auken said following a meeting the Folketing Political and Economic Committee held on the subject yesterday with Poul Schluter, Anders Andersen and Finance Minister Palle Simonsen (Conservative).

Flimsy Excuse

Svend Auken said it was a flimsy excuse when the government tried to explain the abysmally poor trade figures for April by saying that Easter came in March this year while last year it came in April. The fact is that the government has no policy and no answer to the economic problems, but is simply hoping that something will come up in the course of the summer.

"We are aware that limiting consumer loans will present many problems, but it has to be done," said Svend Auken. "This can be accomplished on the administrative level without calling an extra session of Folketing."

Prime Minister Poul Schluter said after the meeting that the government is in constant contact with the National Bank about the shaping of monetary policy. The effects of the most sweeping economic intervention in Denmark's history, the Christmas and Easter packages, have not shown up yet. If the trend does not correct itself during the summer, the government will take the matter up again, the prime minister said.

Steps to Curtail Loans

Despite the government's refusal to act swiftly to limit loan-financed consumption, the view at Christiansborg is that steps will be taken very soon to curtail the granting of consumer loans by financial institutions. The National Bank has just made a study that shows that loans granted by financial institutions are behind the increase in private consumption.

Before yesterday's committee meeting the chairman of Folketing's Political and Economic Committee, Ivar Norgaard (Social Democrat), demanded that the government and the National Bank tighten up the amount of credit financial institutions are allowed to give for consumption, making loans available primarily for investment purposes. Owners of stocks and bonds have cashed in on the profits resulting from the sharp appreciation in value. The money has been spent on cars, expensive vacation trips, land and real property abroad, household appliances and video equipment. The financial institutions have also enabled many in the "middle-income group" to finance durable consumer goods through loans from banks and savings institutes, Ivar Norgaard said.

Critical of Banks

Government party people are also dissatisfied with the lending policies of banks and savings institutes. Liberal Folketing member Jens Skrumsager Skau said that if the financial institutions want to undermine the government's economic results, all they have to do is keep up their aggressive lending policies. And if the banks and savings institutes think Denmark should have

a Social Democratic-Socialist People's Party government they can just continue in the same vein instead of taking their share of the responsibility, he said.

Tax on Loans

Radical Liberal tax policy spokesman Bernhard Baunsgaard would not rule out the calling of an extra session of Folketing during the summer recess if the trade figures do not change direction in that period. At the same time he made it clear that a new economic intervention would include the area of loans.

This might involve raising the tax on loans from banks and savings institutes from 1.5 to 3.0 percent.

Bank Loan Policies Blamed

Copenhagen AKTUELT in Danish 4 Jun 86 p 6

[Text] Helsingor--"When it comes to checking the high level of private consumption, I do not understand why the government has not moved against financial institutions long ago--and that includes Arbejdernes Landsbank, of which I am chairman of the board."

So said the chairman of the Danish Metalworkers' Union, Georg Poulsen, at a business conference in Helsingor yesterday. "The financial institutions and other lenders in the financial sector who have been happy to extend loans have made a big contribution to the problem of overconsumption," said the chairman of the Metalworkers' Union.

Christian Party Attacks Policies

Copenhagen AKTUELT in Danish 5 Jun 86 p 5

[Article by Bjarne Kjaer: "Demand for Steps Against Consumer Loans"]

[Text] The smallest of the four government parties has now demanded that steps be taken to check consumer loans. The demand came from the Christian People's Party the day after Prime Minister Poul Schluter (Conservative), Finance Minister Palle Simonsen (Conservative) and Economic Minister Anders Andersen (Liberal) met with Folketing's Political and Economic Committee and rejected a Social Democratic proposal concerning taking immediate steps to curb consumer loans made by banks and savings institutes.

Intervention Expected

But no one doubts that there will be some form of intervention if the catastrophic development in Denmark's foreign trade continues in the months ahead. The trade deficit for April set a new record of around 3 billion kroner and the balance of payments deficit for the first 4 months alone was

11 billion kroner. Without the sharp drop in oil prices and the exchange rate of the dollar the deficit in the first 4 months would have been 16 or 17 billion kroner.

The government still believes that the deficit will be "only" 18 billion kroner for 1986 as a whole, but most economic experts regard that as completely unrealistic. The government still hopes that the effects of the intervention before Christmas and the Easter package will have an impact on trade figures. If that does not happen within the next few months there is a prospect that we will have new economic interventions.

The Radical Liberals have called for restrictions on consumer loans if the trade figures make new steps necessary and now the Christian People's Party is doing the same thing.

"Consumer loans should be restricted and the accounting systems of banks and savings institutes should be examined closely," said the national chairman of the Christian People's Party, Folketing member Flemming Kofod-Svendsen. The party chairman said that credit legislation should be tightened up quickly in order to straighten out the balance of payments. It is unfair that durable consumer goods can be completely financed by taking out loans. It is a good liberal idea that one should save up the money first and then buy something, said Kofod-Svendsen.

6578

CSO: 3613/155

ECONOMIC

FINLAND

SORSA REJECTS ASSERTIONS FINNISH-USSR TRADE IN CRISIS

Helsinki HELSINGIN SANOMAT in Finnish 17 Jun 86 p 22

[Article by Kalle Heiskanen: "Economic Commission Chairman Kalevi Sorsa Warns Against Exaggerating, Going Overboard: Problems, No Crisis, in Trade With Soviets"; passages between slantlines in boldface in original]

[Text] In the raging controversy over trade between Finland and the Soviet Union, Prime Minister Kalevi Sorsa's viewpoint can be summarized thus: there are problems but there is no crisis. The chairman of the Finnish side of the intercountry economic commission warns against becoming guilty of going overboard when appraising trade developments.

"It must be admitted in all honesty that the situation which has arisen is troublesome, especially if we consider the opportunities to conduct trade in its intended breadth," says Sorsa. He replaced Ahti Karjalainen as Finnish leader of the economic commission.

"Because we still don't know at this moment, for example, at what level the prices of our key imports will settle during the latter part of the year, we're unable to estimate at this stage how long the changes that have occurred will last."

Sorsa warns against becoming guilty of going overboard when appraising the current state of trade between Finland and the Soviet Union, even though a change of \$1 in the price of a barrel of oil on the world market causes a yearly fluctuation of 50-60 million rubles (1 ruble = 7.2 markkas) in Finland's imports from the Soviet Union.

Sorsa estimates that the value of imports will amount to 500-600 million rubles (3.6-4.3 billion markkas) for the year, if prices stabilize at the present low level for the rest of the year.

When this year's commodity exchange agreement was signed last December, the price of oil was \$28 a barrel. Neste now pays just a little under \$13 for a barrel of Soviet oil. The gloomiest estimates of the size of the trade deficit approach 6 billion markkas. According to the agreement, imports and exports together should be roughly 38 billion markkas this year.

Sorsa points out the other aspect of imports: out of total imports valued at 2.5 billion rubles, imported goods worth nearly 2 billion rubles are still awaited. "This also seems to be the bottom level below which the value of our imports will scarcely drop during the current decade.

"This being the case, the fact that 20-25 percent of our trade is in an uncertain state because of temporary disturbances should not be allowed to obscure the truth that 75-80 percent of our trade is still preserved. It constitutes a firm and broad foundation from which progress can be made in the future."

Basis of Trade Remains Same as Before

Sorsa does not waver on the subject of shifting bilateral trade--the essence of commercial activity--in the direction of trade based on free currencies. After all, bilateral trade means in principle that imports and exports are in balance.

The prime minister points out how the importation from the Soviet Union to Finland of many commodities--oil, oil products, coke--vital to the Finnish national economy has been able to continue undisturbed over several 5-year periods. He also cites the stable sale of numerous basic Finnish exports to the Soviet Union.

In Sorsa's view, the Soviet Union's planned economy "will hardly be shaken very much if the world market price of some product rises or falls in the vortex of economic activity.

"In my opinion, long-range planning to the extent that it has been practiced in recent years and decades by Finland and the Soviet Union, for instance, has proven a very practical way for both parties to conduct trade between two countries which differ from each other in their economic systems," says Sorsa. The arrangement can be improved, however. Sorsa alludes to ideas that popped up in 1980 after the second oil crisis according to which you do not take care of short-term trade fluctuations by the shipment of goods but by some sort of buffer method within a clearing system. In this way, the burden caused by a sudden fluctuation can be spread out over a period of several years.

"There comes to mind, naturally, the idea of transferring excessively large surpluses to credits which would then be amortized over an agreed-upon stretch of time. I believe there's good reason to give serious thought to this possibility, especially under the recently arisen circumstances, which have certain points in common with earlier years," suggests Sorsa.

"I, Too, Am Surprised"

For years now the Finns and the Soviets have been negotiating so-called compensation projects involving construction exports. Finnish constructors would receive as payment the products of the factory in question. Raute and Schauman as well as Neste, among others, are on the move.

Negotiations concerning the first three projects have gone on and on. Providing credit for the construction period is one of the problems.

"I'm a little surprised by that, too," replies Sorsa, when he is asked why not a single agreement--even an experimental one--has yet been reached on a compensation project.

/For years there has been talk about productive teamwork, working together in third countries, compensation projects, and so forth. Is there at this moment anything new on the horizon to liven up trade relations which plod along in a rut?/

Sorsa: "I wouldn't want to speak about plodding along in a rut with reference to exports of the Finnish metal industry, for example, for which 1986 really seems to be turning into a year of many different changes. Right now we're in the first year of a new basic agreement which includes very significant quotas of export products from Finland to the Soviet Union which arose as a result of productive teamwork.

"These exports, the value of which from here on in will rise in a few years to an annual level of nearly 2 billion markkas, do not, in my opinion, entitle us to say that our trade relations are plodding along in a rut."

Sorsa says he is also fairly certain that "compensation projects will start to be carried out within a few years and will have a bracing effect on trade relations."

No New Kostamus

/Last year was a nightmare for Finnish builders. In addition to little construction work at home, the stream of rubles from the east ran dry. Should we prepare for some major business failures in the construction field or do you foresee a new Kostamus, a new Svetogorsk?/

Sorsa: "I really don't think there's a new Kostamus on the horizon at this moment. Our construction exports have been split up in such a way that instead of a few big contracts we're essentially getting involved in the execution of a large number of smaller projects.

"At the same time, the projects have become more technical, and the share of construction work in them has declined to the advantage of machine deliveries and other things. This being the case, it would appear that our construction firms have been stuck with the role of great accommodator in numerous senses."

Finnish builders have now and then pondered aloud whether they should reduce the number of competitive bids they make for Soviet contracts. It is estimated that Finns eventually participate in one Soviet project for every six they bid on. This costs money.

It is natural, according to Sorsa, for the Soviets to want competition for their projects; that way, prices drop. "On the other hand, isn't it somehow an overall advantage if we manage to keep the competition within Finland's borders?" he asks.

Nuclear Power Plant Dropped

/Has a fifth nuclear power plant been definitively dropped from the list of additional imports to replace oil?/

"It's my understanding that consideration is being given to a large power plant that doesn't run on nuclear fuel," replies Sorsa succinctly.

Throughout the spring there has been an exhaustive quest for new imports to replace oil. During the negotiations, according to Sorsa, "the search for new imports has been thorough, but the final outcome still isn't known at this moment."

The Soviets offer Finland their passenger planes at regular intervals. Finnair refuses to purchase the Soviet aircraft every time. Sorsa, chairman of Finnair's advisory board, said he is convinced that the "active leaders of Finnair have delved deeply into the matter and that the decisions the company has made at this time are optimal for profitable operations."

Sorsa says that when people talk about buying passenger planes, maybe it does not always occur to them that airplanes are just one part of the total system in the operation of a modern airline. "This being the case, the acquisition of a new type of airplane means that the company must clarify how the acquisition will affect the operation of the total system."

"We Wouldn't Want to Cut Exports"

Finnish firms are naturally worried about what the fate of their products will be on Soviet markets if the imbalance of trade continues for a long time. To be sure, neighboring authorities have sought to allay those fears. At the end of April, deputy trade representative V.D. Pugin said he considers unfounded, at this time anyway, stories to the effect that Finnish firms' exports to the Soviet Union would be cut.

Prime Minister Sorsa's point of departure is that "we in Finland, of course, wouldn't want to begin cutting our exports in any direction." According to Sorsa, it is a different story if for one reason or another the buyer decides not to purchase products he previously obtained from Finland.

"At the present time we're still not able to say in which areas the Soviet Union will reduce its purchases, if indeed it comes to that point," judged Sorsa.

Additional Committees Not Needed

The Center Party in particular has found fault with the economic commission's work. The most recent to join the chorus is the Center Party's parliamentary group chairman, Kauko Juhantalo, who has called for a special Cabinet committee to give a boost to trade with the Soviets.

"This doesn't have anything to do with committees. There are plenty of those," replied the commission chairman. In Sorsa's opinion, it is difficult to imagine what a Cabinet committee could produce that would be substantially new.

"We have a Cabinet committee for foreign policy. It can deal with trade-policy issues if it wants to, but there really haven't been any such proposals except for trade agreements."

On no account, in Sorsa's opinion, is the time up for the economic commission in its present form.

Sufficiency of Time Is Relative

When the choice of Sorsa for the leadership of the economic commission was introduced, he was reported to have doubted that there would be enough time. Sorsa now responds thus to the question about sufficient time: "My work as chairman of the economic commission has opened up for me the very interesting set of circumstances which is shaped by the efforts to improve Finnish-Soviet economic relations in different spheres of activity.

"When you're interested in something, you naturally have the feeling every now and then that you'd like to spend more time on it. So sufficiency is relative."

Sorsa has occasionally been criticized for not appearing in public in his capacity as chairman of the economic commission. He replies: "I have appeared in public plenty of times, but you and others haven't noticed. The interest generally comes from special journals in various fields, and there have been statements in them. But a prime minister is required to appear in public so much that he has no special time left over for them."

Taisto Kalevi Sorsa heads the commission during a time when a new generation is assuming power in both countries. Finland will have to compete more fiercely for its positions on the Soviet market.

/To what degree will the countries' economic relations be influenced by the fact that the so-called old hands like Patolitshev and Karjalainen have stepped aside, or are stepping aside?/

Sorsa: "Economic relations between Finland and the Soviet Union are currently so broad and varied that new 'old hands' are being produced all the time. Personal contacts have some importance, but reality is what counts now and what counted before."

12327

CSO: 3617/130

ECONOMIC

ITALY

FURTHER GROWTH PROJECTED IN WAKE OF RECENT LEAP

Paris LA TRIBUNE DE L'ECONOMIE in French 13 Jun 86 pp 1, 4

[Article by Richard Heuze: "The Italians Are Getting Rich"]

[Text] A symbol of wealth: 14,500 Lancia Themis were sold in the first 5 months of 1986 as opposed to 22,000 for all of 1985. At Fr 130,000 for the basic model without options or accessories, Fiat, which has also produced 17,200 Comas this year at 19-26 million lire apiece, is certainly not about to complain. But the Italy of the motorized three-seater in "La Strada" and of "Bicycle Thief" has disappeared. The Uno has replaced the microscopic 500, which held on for 20 years, and Palermo, the poorest and most run-down city on the peninsula, has the highest concentration of BMW motorcycles in Europe outside of the FRG.

It is easy, then, to compare Italy's situation with that of 1946, when King Umberto abdicated and the republic was proclaimed. At that time, 44 Italians out of 100 were working in the fields. Only 10 out of 100 do so any more. One-third of the population never ate meat and another quarter of the people did so only once a week. Italy now imports whole trainloads of veal from France and Holland to satisfy its taste for luxury.

Some 15 percent of Italians never used sugar. In 1986, the largest sugar company in Europe is Italian: Ferruzzi. Some 3 million homes had been destroyed in the war; now 64 percent of Italians own their own homes, and so it goes. In 40 years, the cost of living has increased twenty-fold. The number of retirees has doubled (81 over age 60 for every 100 young people in Italy in 1986 as opposed to 46 at the end of the war).

Over the years, Italy, the 7th largest industrial power, has gotten rich, middle-class, and old.

This trend is similar to that of all Western societies. But it has never been so marked as in the last 5 years. Commentators call it the second Italian economic miracle. The first was the emergence or discovery of the power of the underground economy at the beginning of the 1970's. The euphoria of the stock market, which has risen 200 percent in 17 months--an absolute record in the West, emphasizes the strength of this trend. The size of the rollback since the "black Thursday" of 29 May (when it dropped 25 percent) shows its profound instability and unevenness.

But the Bank of Italy's reports tell more than anything else about this new wealth enjoyed by the compatriots of Verdi and Garibaldi. In fact, Italy is beating all records for financial liquidity reported to the national revenue service. As of last 31 December, household financial activity (i.e. cash deposits in banks, government bonds, stocks and bonds, etc.) came to 903 trillion lire. This is more than 120 percent of the gross domestic product. One year earlier it had been 732 trillion lire.

To this already impressive figure can be added the total value of real estate held by Italians: it is valued at 1.581 quadrillion lire. This total wealth is 3.5 times the gross domestic product. Not that Italians have gotten rich overnight. It has been a slow process that has its roots in the first economic expansion of the 1970's and has extended over 15 years.

The sociological study center CENSIS [Center for the Study of Social Investment] also shows that in the last 4 years the total wealth of Italians has increased relatively little: about 1.2 percent a year. On the other hand, the distribution of wealth has changed rapidly. Real estate lost 34 percent, doubtless as a result of the 1976 law imposing strict rent control and the economic recession, which left construction stagnant.

Savings Transfer

The governor of the Bank of Italy, Carlo Azeglio Ciampi, explains: "Encouraged by high interest rates, households increased their financial investment in recent years while they decreased their purchases of material goods, especially housing." Traditionally, savings have been invested in banks. However, diversification appeared recently, in the last 18-24 months. Thus, bank and postal savings accounts represent no more than 40 percent of total savings as opposed to 65 percent in 1982. Government bonds rose from 19 to 27 percent and stocks, from 6.5 to 10.5 percent, while investment funds are taking nearly 4 percent of household savings.

However, changes in the trend cannot be ruled out, even a return to the previous situation. Diversification has been encouraged by the explosive rise of the stock market, the decline of interest rates on government bonds (3 points in 4 months) and lesser return on bank deposits. The stock market drop of the last 2 weeks is again making bank and treasury certificates (BOT's) more attractive. This is most gratifying to the Treasury minister, Giovanni Goria, who relies on public borrowing to finance a national debt equal to 16 percent of the gross domestic product.

For individuals, this source of wealth remains important and belies outworn cliches about Italians' alleged poverty. The population of Italy was 46 million after the war; it is now 57 million, including about 16 million households. Four million families own nothing, judging by their tax returns (this figure will probably be reduced in the next few years by the recent tax reform). This leaves 12 million "propertied" households with an average household wealth of 206 million lire: 131 million invested in real estate and 65 million in savings.

This figure does not include cash, jewelry, furs and durable consumer goods (automobiles, electric appliances, stereos, etc.) estimated at an average of 30 million lire per household. This total wealth comes to about 240 million lire (Fr 1.2 million) per household, which shows that Italians' wealth is solid.

Richer by a Third

This wealth is not about to decline, according to a study from the Promoteia economics institute. The Italian gross domestic product should grow an average of 2.61 percent a year until 1995 with a high of 3.5 percent in 1987--a "particularly brilliant year," according to Promoteia--and slower growth (2.1 percent) after 1991.

Over this 10-year period, the population is not expected to grow by more than 300,000, which means that the country's wealth will still be shared by more or less the same number of people. Economist Giuseppe Turani concludes, "Every Italian can now expect 12 million lire in income a year. In 1995 he will have 18 million. We will be a good one-third richer." (Turani is the author of several works including "The Lawyer" (Giovanni Agnelli) and "The Second Italian Economic Miracle," both published by Sperling and Kupfer in Milan.)

8782

CSO: 3519/208

ECONOMIC

SWEDEN

BUSINESS LEADER SEES MARKET IN USSR FOR ENERGY CONSERVATION

Stockholm DAGENS NYHETER in Swedish 22 Jun 86 p 9

[Article by Harald Hamrin: "Soviet Union Wants More Cooperation"]

[Text] Moscow--Increased production cooperation and in the long run perhaps regular joint ventures will characterize the economic cooperation between the Soviet Union and the highly industrialized countries in the West in the future. In the short run the Soviet Union is interested in buying the latest Western technology for modernizing existing industries.

Thus can be interpreted the Soviet message to more than 100 businessmen (and one businesswoman) from most countries in Western Europe as well as from Japan and North America.

The message was delivered over the Midsummer holiday during a 2-day conference in Moscow on "the development of economic relations between the Soviet Union and the Western nations until 1990." The conference was organized by the International Chamber of Commerce in Paris.

On the Soviet side a number of the top men in the economic leadership were represented, among them Foreign Trade Minister Boris Aristov and the deputy chief of the planning authority Gosplan, V. P. Lachtin. Among the Swedish participants noted were Nikolai Vestersten from Procordia International AB and representatives of JCC, S-E Banken, Svenska Handelsbanken and Alfa Laval Unimex AB.

Lukewarm Interest

Several of the Soviet speakers pointed out the possibilities of increased production cooperation between the Soviet Union and the highly industrialized countries in the West, and at the concluding press conference the chief of the Soviet Chamber of Commerce, Yevgeniy Pitovranov, declared that the preconditions for joint ventures will be studied. The Soviets have previously shown lukewarm interest, to say the least, in this form of cooperation, but will now study among other things the legal problems associated with joint ventures.

"I can say that this question is being considered in principle as a possible way, but as for the frameworks, forms and the legal foundation a thorough study is necessary," Pitovranov said.

Foreign Trade Minister Aristov for his part stated that the Soviet Union only wants to buy the latest technology "at a high world level" from the West.

Swipe at the United States

"The Soviet Union does not intend to become a market for outdated technology," said Aristov, who also took the opportunity of taking a swipe at the United States for its boycott and sanction policy against the Soviet Union and Eastern Europe.

Other than that, the Soviet representatives took the opportunity of presenting to their Western audience the principal features of the new Soviet five-year plan (1986-90), which was formally adopted by the Supreme Soviet last Thursday.

A main feature of the new plan is a shift in emphasis in the direction of modernization of existing facilities.

"A tendency away from large turnkey projects can be noted," Nikolai Vestersten from Procordia International tells DAGENS NYHETER. Such a modernization is exactly what Sweden has been undertaking for the last 10-15 years. Swedish companies must have an enormous number of opportunities for participation here.

Energy Investment

Some features of Gorbachev's economic policy of interest to Sweden are the investment in energy and raw material-saving measures. In this area as well Swedish experience ought to be of interest to the Soviet Union.

The technological and scientific development is also in the focus, and in that context the time between research/development and finished products will be reduced—if the Soviet hopes are realized.

There is also a great deal of talk on the Soviet side about expanded licensing trade.

11949

CSO: 3650/254

ECONOMIC

TURKEY

ELECTRICITY ACCORD WITH IRAQ APPROVED

Istanbul DUNYA in Turkish 14 May 86 pp 1,9

[Text] Ankara—The Council of Ministers has approved the electrical energy agreement signed between Turkey and Iraq. The agreement provides for the mutual exchange of electricity generated within the territory of each country by integrating the national grids of each country.

According to the agreement, signed by the Turkish Electric Power Enterprise [TEK] and the Iraqi State Electricity Authority, the transfer of electrical energy between the two countries will take place over single-phase 400-kilovolt transmission lines with a capacity of no less than 500 megawatts. Initially, the Iraqi State Electricity Authority will sell to TEK 400,000 kilowatt-hours of electricity each year and will make available a power capacity of 70 megawatts (plus a maximum additional capacity of 10 percent). The amount purchased may be increased by 20 percent at TEK's request.

Implementation of Project

The agreement envisages the completion and phasing in of the required transmission lines and substations by 1 October 1987. The Iraqi State Electricity Authority and TEK will be responsible for the planning, construction, assembly and operation of the equipment necessary in their respective territories using their own financing resources.

The rate which TEK will pay its Iraqi counterpart for the electricity it purchases will be determined by subtracting from the meter reading at the Zakho substation the power loss computed from the difference of meter readings at the Zakho and PS3 substations. According to this procedure, TEK will pay \$616,666 for the guaranteed power capacity 70 megawatts (plus 10 percent) and 1.85 cents for each kilowatt-hour transmitted. These prices will be adjusted at the beginning of each calendar year.

According to the agreement, these payments will be made through a revolving credit arrangement to be administered by a first class bank that has direct links with the Iraqi Central Bank and that is acceptable to the Iraqi Central Bank. The credit account, which guarantees one month's payment for the power capacity and the estimated cost of one month's electricity purchases, will be opened 15 days before the transmission of electricity begins.

ECONOMIC

TURKEY

DEPOSIT INTEREST RATES REVISED UP, DOWN

Time Deposit Rates Down, Demand Rates Up

Istanbul DUNYA in Turkish 30 Apr 86 pp 1, 9

[Text] Ankara (DUNYA) - Deposit interest rates were reduced between two and three points. An earlier reduction of one-two points was also made on 1 March 1986 in 3-month and 6-month deposit interest rates.

While the interest on 1-month time deposits was left as is, in accordance with the decision adopted by the Central Bank's Bank Assembly at yesterday's meeting, deposit interest on 3-month accounts was reduced from 55 percent to 52 percent.

According to the decision, interest on accounts on which interest is paid quarterly was reduced on 6-month accounts from 45 percent to 42 percent and on 1-year accounts from 46 percent to 44 percent.

Interest on demand deposits on which 5 percent interest has been paid to date will be paid at a rate of one-third of the interest on 1-month deposits between 1 May and 31 July, to be valid as of 1 May 1986, according to the Central Bank's Bank Assembly decision. In other words, 11.66 percent interest will be paid on demand deposits from 1 May to 31 July, and 23.2 percent will be paid as of 1 August 1986. Interest on demand deposits was 20 percent until 19 December 1983.

The statement made by the Central Bank notes that the maximum interest rate that banks can pay on the acceptance of deposits as of 1 May 1986 will not be controlled up to the rate specified by the latest revision.

The statement also points out that interest rates now in effect on time deposit accounts opened prior to 1 May 1986, the effective date of the new rates, will apply until the terms expire. Interest rates on interbank deposits, meanwhile, continue to be unregulated.

Deposit Interest Rates to Apply as of 1 May 1986
(Annual percentage)

Type	1 August 1985	1 March 1986	1 May 1986
A. Demand Deposits	5	5	1 May-31 July 11.6 After 1 August 23.2
B. Time Deposits			
a) 1-month	35	35	35
b) 3-month	45	44	42
c) 6-month	50	48	45
d) 1-year	55	55	52
C. Savings, interest paid quarterly			
a) 6-month	46	45	42
b) 1-year	46	46	44
D. Interbank Deposits - unregulated			

Annual Net Income on 100,000 Liras

Terms	Old	New
1 year	49.335	46.644
6 months	47.691	44.438
3 months	45.703	43.339
1 month	36.330	36.330
Demand	Until 1 August 4.500	10.500
	After 1 August 4.500	20.900

Editorial Questions Goals

Istanbul DUNYA in Turkish 30 Apr 86 p 1

[Editorial: "Caution and Cloudiness"]

[Text] The rate of inflation and interest rates have exceeded all other indicators to become a "fetish" in both directing the economy and evaluating its progress. Of the two, each of which must be assigned importance technically as a means of measurement and guidance, inflation seems somehow to have bred a political party all by itself in Turkey and to have played a large role in

in its coming to power. Though interest rates are the price of money, not ultimately to be considered so different from any other kind of goods, they have taken on a character which throws public opinion into a flurry with each revision, leads to intense debates, breeds widely disparate opinions and even stupefies government echelons.

Such a picture is doubtless quite an exception in strong, liberal economies which still have problems but are generally healthy. In Turkey, where efforts are in progress to open up to and integrate with such economies, it is the rule. One reason for the irony is that the process of conversion to a "free market economy" comes face to face with serious mistakes and bottlenecks. Failure of the economy to take into account the conditions peculiar to itself and the inability to integrate technical operations with a mature body of opinion at the roots of these conditions are another source of the problems experienced.

The government, with this as the background and with agonizing not experienced before, has revised deposit interest rates again. It is known that, up until yesterday, when the decision was officially announced, the operation was causing "hesitation" and "worry," not just at the Central Bank and among the banking sector whose field this is, but also among the political authorities who put their seal on the decision. Perhaps for the first time, differences of opinion have emerged on interest rates between Prime Minister Ozal and his close working partners. The reductions in deposit interest rates varying between 2-3 points depending on category, indicate that the economic administration has gone for a revision in monetary policy that is "cautious" but has "cloudy goals."

The Central Bank's use of the "ceiling-setting method" in interest policy rather than reducing rates a few points is an innovation. Banks "may keep the interest limits they will pay on deposits below the rates specified if they wish." However, even though the banks compete with each other, since they are obviously not going to get into a comedy routine vis-a-vis savings holders of "I'll take your money for less than the other banks," some other formations in the financial sector are to be hoped for.

What might the expectations be? First, to get the banking system to bring deposit interest below the ceilings in parallel with the steadily declining rate of inflation. Second, to cut credit costs indirectly and, third, to prove that inflation is declining. It is as if, in this commitment, the government has tasked the large influential banks with establishing a "low interest cartel." It seems that the seven large banks are being trusted to regulate approximately 50 percent of deposits and that a green light has been given for them to "correct" the deposit market. One question that arises here is: How lucky will the seven large banks be if interest rates are "further reduced," even if they have an agreement among themselves? Even disregarding the effect of reduced interest on savings, how are the small and mid-size banks which have proved their competence at attracting deposits and playing the interest games in the past going to be monitored?

Another question: The government has paid a lot of attention to avoiding tightening the scissors between deposit interest rates and the rate of inflation, where a relative downward trend is in progress. Has the government and its money management's "lack of confidence" in the near future of the inflation problem played a role in this behavior? That is, is the government experiencing a self-fulfilling prophecy in the concentration of the "expectations of high inflation" psychology that it has always criticized? If that is the case, there is no remedy but to act with caution and try to snare certain goals in the cloudiness.

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CSO: 3554/67

ECONOMIC

TURKEY

BRIEFS

CREDIT AGREEMENT FOR SIR DAM--A \$165-million credit agreement has been reached between the Cukurova Electricity Corporation and the World Bank. The agreement, which provides for financing to be used in the construction of the Sir Dam on the Ceyhan River, will probably be signed on 26 May by officials of the government, the Cukurova Electricity Corporation and the World Bank. According to information obtained from Ibrahim Gunay, Deputy Chairman of the Cukurova Electricity Corporation, two separate agreements will be signed after the talks on 26 May. One of these accords will be a guarantee agreement between the Turkish government and the World Bank, and the other will be a credit agreement between the Cukurova Electricity Corporation and the World Bank. The Sir Dam is one of the six dams being planned on the Ceyhan River and will irrigate 366,000 hectares of land and protect 53,000 hectares of land from flooding. The dam will have a capacity of 1.12 billion cubic meters and will have a height of 120 meters. The dam will also incorporate three 150-megawatt power generating units. The construction of Sir Dam, which will be used for irrigation and power generation, will be completed 4 1/2 years after the flow of foreign credit begins. [Istanbul DUNYA in Turkish 14 May 86 p 3] 9588

MINERAL EXPORTS INCREASE--Etibank's earnings from mineral exports in the first 4 months of this year was 14 percent higher than its income in the corresponding period of last year. In the January-April trimester of this year, Etibank's mineral exports totaled \$43.49 million. The figure for the corresponding period of last year was \$38.322 million. According to information obtained from Etibank officials, boron ore and refined boron products constituted the biggest portion of mineral exports in the first 4 months of this year with a total value of \$33 million. During the same period, exports of chromium and ferrochrome products amounted to \$7.4 million. An additional \$3.9 million were earned from the export of calcium carbide, alumina, mercury, tungsten ore concentrate, antimony, aluminum hydrate, aluminum plates and perlite. The officials stated that the growth in mineral exports was the result of efforts to increase exports and that the total mineral export target for the entire year is \$200 million. Last year, Etibank's mineral exports totaled \$95 million. According to the information obtained, the leading buyers of Etibank minerals are Western and East European countries (the Soviet Union being the largest buyer), the United States, Japan and Middle Eastern countries. Last year, most of Etibank's exports went to the United States, Japan and Europe. In 1985, Etibank also exported to Latin American countries for the first time. [Istanbul DUNYA in Turkish 14 May 86 p 3] 9588

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ENVIRONMENTAL ISSUES

ITALY

LOMBARDY REGION MOST AFFECTED BY POLLUTION

Rome LA REPUBBLICA in Italian 1-2 Jun 86 p 15

[Article by Giorgio Lonardi]

[Text] Look at the crimes committed against the environment in Lombardy! The richest region in all Italy is the foulest...

Surrounded by dump-sites, criss-crossed by rivers and canals of poisoned water, at the mercy of acid rain, jam-packed with hazardous industrial plants, Lombardy, in addition to being the richest and most advanced region in Italy also takes the sorry prize for most pollution in this lovely land. The somber inventory that follows, far from claiming to be exhaustive, is merely a first glimpse at the region's most hideous problems.

Rivers and Lakes

Of the 491 bathing beaches and resorts in Lombardy, only 118 boast water fit to drink. At the other 373, the mayors have orders to put up "No Swimming" signs, but they don't always do so. Hence, three out of four beaches are hazardous because the water is swarming with fecal coliform, fecal streptococci, and, in some cases, salmonella bacteria. These data are kept by the Regional Health Department and distributed by the Green Group in the Region.

The list of rivers and lakes "off limits" is endless. In some rivers like the Seveso and the Lambro, both visibly polluted, nobody has even run a water-quality analysis. In any case, swimming is almost or totally banned in Lago Maggiore, at Varese, in the Adda River, the Ticino, and, as a result, in the Oglio, the Brembo, and the Serio. Seriously endangered are many stretches of Lake Garda, Lake Iseo, Lake Como, and Lake Lugano.

Drinking Water

After they found out in Milan that there was trichloroethylene in the drinking water in 1975, 140 wells were sealed over the next 2 years. Even today, the level of chlorinated solvents in Milan's drinking water are higher than the levels set by the EEC. The

Community has ordered that by the end of 1990, all wells with more than 50 ppm of chlorinated pollutants be sealed. For the time being, only 20 percent of Milan's wells meet that standard.

Wildcat Dump-Sites

You find them everywhere: Milan Province has not yet finished counting them. The areas most affected are Brianza, Pavia and its environs, and Lower Bergamo.

Hazardous Industrial Plants

The "bag-snatch" committed a few months ago by Regional Environmental council members Sergio Andreis and Nick Albanese resulted in publication of the "pinpoint map of industrial activities constituting a high risk of a major incident," kept under lock and key by Health Inspector Isacchini. Please note: we are not talking here about a list of so many potential Bhopals. Even so, it is evidence that in Milan's province there are 101 plants officially listed as "potential hazards." A vast majority of them are owned by companies that have complied with all the safety arrangements deemed necessary. However, it should not be forgotten that the criteria by which certain materials are designated "hazardous" are open to criticism. Icmesa, which was responsible for the disaster at Seveso, would not make it onto the list, because the amounts of "hazardous" materials there would have been too small.

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